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# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 41

Section 1

November 17, 1927.

## DEPARTMENT

**BUILDING PLANS** The Washington Post to-day reports: "Plans for the new Agricultural Department Building were made public yesterday. The building, to be built on B Street from Fourteenth to Twelfth Street northwest, will be 1,000 feet long. It's greatest depth will be 750 feet, just 16 inches short of the Capitol's greatest length. The building will have an approximate floor space of more than 1,000,000 square feet. It will be of the so-called extensible type. The administration building, connecting the two wings, will be constructed first. Congress has appropriated \$400,000 of the \$2,000,000, the expected cost of the administration building, but has authorized the Treasury Department to make contracts up to the larger figure. Tunnels under Twelfth Street will connect the administration building with the wing on its east side. The Government already owns part of the land necessary for construction of the new Agriculture Department Building and condemnation proceedings will be started soon in order to acquire the other land necessary."

## AMERICAN FARM CONGRESS

An Associated Press dispatch to-day from Kansas City says: "Specific farm relief legislation such as that advocated by some other agricultural organizations was passed up at Kansas City yesterday at the final session of the American Farm Congress. An informal vote, however, showed almost unanimous opposition to any attempt at price fixing by the Government in an effort to stabilize agriculture and take care of surplus production....The railroads have not exhibited proper regard for the western farmer in his struggle against depressed agricultural conditions, Representative Homer Hoch, of Kansas, charged in an address before the congress. The coauthor of the Hoch-Smith resolution, enacted by Congress two years ago, among other things to bring about a reduction in freight rates on agricultural products, condemned the railroads for applying for increased freight rates on grain, while farmers are urging relief from the prevailing schedules. Representative Hoch also criticized the roads for their opposition to valuation figures fixed by the Interstate Commerce Commission...."

## GRANGE HEAD ON FARM CONDITIONS

A Cleveland, Ohio, dispatch to-day says: "Despite the present dark clouds, the future shows the silver lining of an efficient and prosperous agriculture," Louis J. Taber, master of the National Grange, told more than 6,000 American farmers at Cleveland for the organization's annual convention yesterday. 'Peasantry will never come in America, unless American agriculture and Government become incomparably stupid and short-sighted,' Taber declared. The head of the National Grange attacked charges that the farmer has not kept pace with other industries in efficiency. His picture of the decline of farm population was far from gloomy, although he portrayed one-fifth of the Nation's population feeding the other four-fifths. Taber praised the export debenture plan, designed to remove inequalities and to bring to agriculture the tariff benefits enjoyed by other industries...."





## Section 2

Business

An editorial in The Chicago Journal of Commerce for Nov. 14 Men's Report says: "The Business Men's Agricultural Commission, created by the Chamber of Commerce of the United States and the National Industrial Conference Board, has reached a number of sound conclusions and a few that are dubious. But it has failed to suggest practical means for carrying out its principal recommendation. And the recommendation which is thus left ineffective is one which goes to the core of the farm question. The commission recommends that the poorest farmers and the poorest farm land be withdrawn from the business of farming. It recommends that some agency which it suggests may be called the 'National Agricultural Foundation' be created independently of the Government, that it be provided with adequate funds, and that it be set to the work of classifying land resources and devising a comprehensive plan for land utilization. This agency would endeavor to concentrate farmers on the best land, to guide the population movement between farms and cities (which means to shoo the poorer farmers away); and to evacuate sub-marginal lands now employed for farming, which would then be devoted to pasture purposes, or would be turned into forest lands to be used for the growing of lumber or to be used as game and fish preserves or for general recreational purposes....If the poorest land is to be withdrawn from the farming business, somebody will have to show the owners how to make profitable use of it for some other purpose. In urging that submarginal agricultural lands be devoted to forest purposes, the commission remarks briefly that the carrying out of this recommendation would depend upon a 'veritable revolution in the point of view and the methods involved in the utilization of land for forests.' What the commission probably means, though it does not say so, is that reforestation depends upon a Nation-wide realization that the system of forest taxation should be reformed so as to lift all taxation from the growing tree and to impose a tax only when the tree is sold....Besides encouraging such a reforestation program, it is difficult to see what the proposed National Agricultural Foundation could do to withdraw poor farm lands and poor farmers from the farm business....At least one of the minor recommendations of the commission had better been left unsaid. The commission recommends that 'branch banking be instituted 'within prescribed areas.' The purpose of this is to safeguard the money of the farmer, who now often entrusts his money to a unit bank so poorly directed that it fails. At first glance this recommendation is plausible. However, not only banking opinion but general public opinion is strongly against branch banking. Instead of making this recommendation, the commission would have done better to urge the formation of regional clearing houses, which, by mutual examination of banks, would sharply elevate the standards of rural banking."

Farmer Sufferers Walter Parker, Economist for Fenner and Beane, New York and in Mississippi's New Orleans Cotton Exchanges, speaking in Kansas City yesterday, Flood Dis- before the American Farm Congress, said: "Farmers were the chief disaster rect sufferers from the flood disaster in the Lower Mississippi Valley in 1927. In every direction farmers are the chief and most direct sufferers from soil erosion and from all the other ills that follow in the wake of the waste in devastating flood in place of the use for beneficial purposes of the water resources of the country. Consequently the farmers will be the chief and most direct beneficiaries of



flood control and of the use in place of waste of water. The problem presents two phases. First there is the intolerable situation in the Mississippi Valley from Cairo to the Gulf resulting from the attempt to make dirt dykes take the place of thousands of square miles of low-land natural reservoirs and several great natural outlets--an engineering blunder of monster magnitude known as the 'levees only' policy.... The second phase of the problem--the ultimate goal--is wholly economic. Its objective is the harnessing of interstate drainage so that our rivers can be made to work for us instead of working against us...."

Highway  
Accidents

Current Affairs (Boston) for Nov. 14 says: "The continuous catastrophe of our highways is unabated during the week ending Saturday, November 5, one person having been killed and one hundred and twenty-three persons injured on the streets of the city of Boston. This represents a reduction in the number of persons killed but an increase in the number of those injured. These figures were published last week by the Boston Chamber of Commerce, the Boston Automobile Club and the Massachusetts Safety Council as a part of their effort to keep before the public constant reminders of the highway accident hazards. The three organizations also found that of the 116 vehicles involved in accidents during the week, the numbers for the different types were divided as follows: Large passenger cars, 47; small passenger cars, 46; taxicabs, 6; large trucks, 5; small trucks, 2; horse-drawn vehicles, 5; ambulances, 2; motorcycles, 1; and bicycles, 2."

Sugar Negotia-  
tions

A Paris dispatch Nov. 16 says: "Cuba took effective lead of the world's sugar interests yesterday when suggestions of Colonel Jose Tarafa, head of the Cuban Sugar Defense Committee, were incorporated in an agreement signed by the biggest exporters of the sugar world to stabilize production and exportation so that the industry will be able to wait for consumption to catch up with the present overproduction.... The agreement signed Nov. 16 is effective for one year and is renewable at the end of that period. It provides for the admission of all sugar exporting countries...."

A second Paris dispatch says: "Agents of the American Government have been among the interested observers during the meetings at Paris of delegates from Cuba, Germany, Poland and Czechoslovakia to formulate a sugar exporting agreement. Their interest is pointed by the fact that, if Cuba, for example, is to restrict its annual production as proposed to 4,000,000 tons and the big exporting nations of Europe make similarly large restrictions, the price of sugar in the United States will rise...."

Synthetic  
Rubber

An editorial in The Journal of Commerce for Nov. 15 says: "Reports emanating from Germany state that a process has been devised for the manufacture of synthetic rubber. It is also said that the new substance will soon be put on the market in competition with the natural product. Considering the great strides made in the utilization of reclaimed rubber, it is not surprising to hear that chemical research has gone still further and furnished an all new substitute for the real thing. Almost daily the alarms of conservationists and the fears of those who foresee monopolization of the world's essential raw materials are being answered by new scientific discoveries. Synthetic gasoline may some day fill the reservoirs emptied by wasteful methods of exploiting natural resources in petroleum. Artificial silk and other fibres





are already fast displacing cotton and wool in the textile industries. More effective utilization of all sorts of raw materials with growth of chemical knowledge is also virtually adding to supplies of many commodities. May not synthetic rubber deal a blow to restriction schemes and make it unnecessary for the United States to seek feverishly for regions in which to plant rubber trees?"

Tobacco Co-  
operation

An editorial in Southern Agriculturist for November 15 says: "The Burley Tobacco Pool should be supported by farmers growing that kind of tobacco. This institution has made good to a sufficient extent that the support of farmers should be pledged anew to keep it functioning. It is believed that lessons learned from the past years of experience will be a help in handling the tobacco for farmers in the next seven years, which is the time the new contract calls for. Cooperative marketing is looked to as one of the sources of help for agriculture in the years immediately ahead, and tobacco is a crop that seems to be well adapted to handling in this way. It is reasonable to believe that if the Burley Tobacco Grower's Cooperative Association will function as it should, in the course of a few more years it should become one of the outstanding examples of cooperation. Tobacco is a crop that can be held most satisfactorily, it makes ideal collateral for securing loans, it is adapted to grading and standardization, and when grown as it generally is in sections of diversified farming it is to an extent a surplus crop for which it is not so essential to collect the money for current expenses. It comes from farms where there are hogs, cattle, sheep, poultry, dairy products, corn, small grain, and other crops that bring in money, and that furnish feed for livestock and food for the family. A reasonable wait for part of the returns from the tobacco crop should not be disastrous, and even should not be objectionable since it leaves the selling of the tobacco in the hands of the farmer's employees. Let agriculture not destroy this cooperative, but rather give it a more nearly unanimous support that will make it the biggest possible success. Not only should old members sign up but they should get the signatures of those who have never pooled their tobacco."

Trade Relations

European countries have not made a great deal of progress in carrying out the recommendations for the elimination of trade barriers as proposed by the Geneva and Stockholm economic conferences, says Basil Miles, American administrative commissioner at the Paris headquarters of the International Chamber of Commerce, in a report to the American Section of that organization. "The surface reactions from the two conferences, which were attended by world business leaders, have been violent and discouraging at first glance," he reports. "However," he goes on to say, "too few seem to note the fact that governments are now beginning either to apologize or to protest, as the case may be, whenever they diverge, or are faced with divergencies from the sane and peaceful decisions of these two remarkable expressions of opinion based on the authority of practical experience. France is not the only country which seems to have fallen short of the advanced opinion of her leading business men. It is evident that, as yet, countries differ as to the type as much as to the character of the policy they desire to pursue. France has a tariff system which, in so far as it is protective, does not radically differ from the American tariff system. In principle, the French tariff may be regarded in certain lights, as less liberal than our own. What no one abroad seems to appreciate fully is



one of the impartial factors in the American interpretation of ad valorem duties. The American Tariff Commission is prepared to hear complaints from foreign producers to lower tariff rates, if the foreign complainant cares to undertake proof that the American tariff duty on a given article is so high that it more than equalizes the cost of production...."

**Wheat Rates** A revision of wheat and flour rates from northwestern producing territory to points in the central freight association territory, which railroads proposed to make effective Nov. 16, was suspended by the Interstate Commerce Commission until June 15, 1928, pending investigation. Under the new schedules, a number of increases in wheat and flour rates to points north of the Ohio River and east of the Alleghenies ranging up to 3 cents per pound would have resulted, although at the same time there would have been some reductions. The railroads attempted the revision on the ground that an equalization of charges to the central territory was desirable. (Press, Nov. 16.)

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Section 3  
MARKET QUOTATIONS

**Farm Products** Nov. 16: Top price on hogs at Chicago was \$9.85.

Maine sacked Green Mountains \$2-\$2.25 per 100 pounds in a few eastern markets; \$1.45-\$1.55 f.o.b. Presque Isle. Pennsylvania sacked Round Whites \$1.85-\$2.25. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago. New York Danish type cabbage \$12-\$13 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. New York and midwestern onions yellow variety, \$1.25-\$1.75 sacked per 100 pounds in consuming centers; \$1.35-\$1.45 f.o.b. New York Baldwin apples \$4.50-\$6 per barrel in New York City. Michigan Baldwins \$6.50-\$7 in Chicago; Jonathans \$8.50-\$9.50.

Average price of Middling spot cotton in 10 designated markets declined 13 points, closing at 19.57¢ per lb. December future contracts on the New York Cotton Exchange declined 14 points, closing at 19.67¢, and on the New Orleans Cotton Exchange they were down 13 points, closing at 19.85¢.

Closing prices on 92 score butter: New York 50¢; Chicago 48½¢; Philadelphia 51¢; Boston 48¢.

Closing prices at Wisconsin primary cheese markets Nov. 15: Twins 25¢; Single Daisies 25¾¢; Young Americas 24¾¢.

Grain prices averaged slightly lower although barley showed independent strength and continued its upward trend. December futures for wheat closed about \$1.27 5/8 at Chicago; \$1.24½ at Minneapolis; \$1.23 1/8 at Kansas City and December corn at Chicago closed about 85½¢; December oats 49¼¢; and December rye \$1.06 per bushel. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVII, No. 42

Section 1

November 18, 1927.

**THE PRESIDENT ON AMERICAN PROGRESS** The press to-day reports from Philadelphia: "Scanning the country's past and looking into the future, President Coolidge in an address last night before the Union League of Philadelphia declared that America was entering upon a new era of prosperity, expansion of its resources, the furthering of international peace and closer accord between the United States and the rest of the world. Discussing the Nation's great industrial growth, the President warned against the dangers of an aristocracy of wealth and consequent decay....In noting the outstanding undertakings facing the country he said that flood control must be completed, the waterway system enlarged and irrigation and power projects pushed. He urged aviation development to improve commercial relations with South America. Opposing a lower tariff, Mr. Coolidge declared that 'any material reduction of our general tariff rates would ultimately result in a drastic deflation of agricultural and industrial values, in the rate of wages and in the standards of living.'..."

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**NEW ENGLAND FLOOD CREDITS** A Springfield, Mass., dispatch to-day reports that two movements for New England welfare were launched at the opening session yesterday of the third annual conference of the New England Council, whose membership includes business and agricultural leaders of the six States. The industrial development committee of the council formulated plans by which the public utility corporations of New England shall make industrial surveys of their communities. These surveys will be used as a basis to determine what new industries are best suited to various localities and as a means by which the council committee will seek to attract new industries to the section. The public utilities companies will be urged to sell power as economically as possible, so that the hydroelectrical power development possibilities in New England may be utilized to best advantage in attracting and holding industries. The second action of the council was the decision to cooperate to whatever degree Secretary of Commerce Hoover may think feasible in the establishment of financial credits to further rehabilitation of flood-swept Vermont. It was announced that the council is ready to underwrite a \$1,000,000 fund for Vermont if Mr. Hoover sanctions this at a conference at Springfield to-day, when he will outline to the committee the needs of Vermont. Business and agricultural leaders of Vermont put the loss to the State as at least \$20,000,000, exclusive of the several millions of damages to highways, on which the Federal Government will give aid, and railway damages. They said that at least \$2,000,000 damage had been done to the farms of the State.

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**FRENCH AND AMERICAN DUTIES** The press to-day reports that countervailing duties imposed by the Treasury Department under the Fordney-McCumber Act when France increased rates on American goods, in September, will be reduced Monday, when the French decree goes into effect restoring its rates to former levels during the period of the negotiation of a permanent commercial treaty between the two countries.

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## Section 2

Business  
Outlook

An Associated Press dispatch Nov. 17 from New York states that Virgil Jordan, chief of the research bureau of the National Industrial Conference Board, warned the Railway Business Association Nov. 16 to prepare for an unprecedented business boom which may make 1925 and 1926 seem like a period of depression by comparison. The unprecedented expansion of business, for which conditions are favorable, he told the railway equipment and supply men at their annual convention, "is likely to strain our transportation facilities and credit resources to the limit and put the self-control of business men and the powers of the Federal Reserve system to a real test to prevent serious inflation and a subsequent slump."

Classification  
of Land  
for Tax-  
ation

This is the title of an article by J.V. Van Sickle of the University of Michigan in The Quarterly Journal of Economics for November. The author believes that classification of property needs to be extended to land and that land value exceeds the capitalization of economic rent. He attempts to show how the tax on the market value of land promotes wasteful utilization. He describes the European cadastral method of taxing land, and proposes a modification of the European method. In this connection he says: "What we are looking for, then, is a system of taxing land, not upon its market value, nor upon its actual current income, but upon the income which, under ordinary conditions, it may be expected to earn in the use to which it may reasonably be put. But in effect this is the principle underlying the method followed in continental Europe--the cadastral method of taxing land. And since European land is used and not abused, it may reasonably be assumed that this method of taxing land is in harmony with wise land utilization. Consequently it deserves respectful examination for possible constructive suggestions for American reform."

Cooperation  
in South  
Carolina

Stanley F. Morse, a member of the American Society of Agricultural Engineers, writing in Manufacturers Record for November 10, says: "The value of an efficiently managed farmers' cooperative for cutting the costs and increasing the price of the product handled can not be fully appreciated by the average farmer unless he makes a personal investigation of the operations of his cooperative. However, this is not possible for every farmer, and no doubt there are many who will be interested to hear about a visit I recently made to the South Carolina Cotton Growers' Cooperative Association at Columbia. This cooperative is now entering its sixth year of operation and during its five years of existence has handled over 512,000 bales of cotton. It is affiliated with the American Cotton Growers' Exchange, which has, through its 13 member associations, handled 5,750,928 bales since 1921. Of the 1925-26 crop, these associations marketed 1,610,000 bales. Yet, this is less than 10 per cent of the 1926-27 United States crop, and still far from the percentage of the total cotton output which the cooperatives should be handling. In fact, this very lack of volume of cotton handled is a distinct handicap to the cotton associations, because it increases the overhead cost of marketing each bale. Thus, the South Carolina Cotton Growers' Cooperative Association, handling about 100,000 bales annually, has to compete with cotton merchants who may handle, say, 200,000 to 300,000 bales each. Assuming that approximately the same office and executive staff can take care of the larger number of bales, it is evident that this overhead cost of handling the





smaller number is greater; hence, increasing the membership and volume of business will proportionately decrease the overhead. Nevertheless, it is a fact that the South Carolina Association marketed the 1925-26 cotton crop at a total cost of \$6.26 a bale, or 1.25 cents a pound, while local cotton factors were charging as much as \$11.25 a bale. The 1925-26 short staple cotton costs of the South Carolina Cooperative were per bale: Interest, \$1.32; insurance, 40 cents; compression, 23 cents; storage, \$1.52; handling, 54 cents; overhead, \$1.95; American Cotton Growers' Exchange, 30 cents; total, \$6.26...."

#### Ethylene Ripening Process

An editorial in American Fruit Grower for November says: "Within the last two or three years ethylene gas has come into quite common use for ripening fruits and vegetables. At very small cost, this material can be used to bring about quick ripening of some products. Oranges and lemons can be quickly changed to a uniform ripe tint. Celery can be blanched more satisfactorily than under former methods. Some of the advocates of this new method claim that products ripened by this process are ever better than those ripened by natural means. It has been determined that the sugar content is actually increased by the ethylene treatment in some cases. Just how this occurs is not well understood. Some authorities claim that the ethylene acts as a stimulant or catalyst in the conversion of starch to sugar; others question this view. The vitamin content of products ripened by ethylene is also an important consideration. Many fruits and vegetables are valued highly because of their vitamin content. It is a question whether the vitamin content is affected by the ethylene treatment. The question of the influence of ethylene gas is now receiving the attention of medical authorities. A recent issue of 'Science' states that the American Medical Association has the question under consideration from a food and health standpoint."

#### Factory Farming

An editorial in Southern Agriculturist for November 15 says: "An undercurrent of feeling can be noticed all over the country that agriculture is to be industrialized in the near future. In fact the process is under way. By this it is meant that farming will be done in larger units, by the use of greater amounts of capital, by the greater use of machinery, improved methods, and by strict business management. In other words it will be run on the factory system... This is a big subject and its answer is not easily reached. Judging from the average venture of business men at farming but little progress could be expected at factory farming. Rarely does the business man make a success of his farming. Moreover, it generally proves very difficult to make the large units profitable even when a regular farmer is at the head.... Yet conditions are changing, and with far better methods than the large farms of Russia and Mexico used, a worth while portion of the crops of the United States may be raised by factory methods in the years just ahead of us. A condition that may force the issue is the fact that banks own so many farms. To those of us who have grown up with the conception of individual farming, with the farmer as owner and manager of his land and with his family living with him out in the quiet of the country, the idea of the corporation-owned farm with probably all employees working by the hour brings a shudder. Even if the employee on this factory farm should get more money for his work than when running his own small farm, will he get as much satisfaction, as much pleasure, and will he be as good a citizen? Will his children have as good chance? However, the coming of





factory farming to a greater or less extent will have its advantages for farming in general, provided the bulk of the lands are still privately owned and operated. If industrialized agriculture makes good, it will hasten the application of the very best methods on the average farm. It will make places for some farmers who really should not be running their own farms and politically agriculture may benefit."

**Farm Mortgages** George E. Anderson, writing in American Bankers Journal for November, says: "The Farm Loan Banks of the United States and other farm mortgage concerns operating in this country have put a crimp in a certain type of fiction and particularly a once common type of melodrama. The old, old story of the village skinflint plotting the ruin of the old folks by means of the mortgage on the farm, which he proposed to foreclose and grab the old homestead, or force the fair daughter of the household to marry him, no longer is quite convincing; for whether or not the wayward son who went abroad and made his fortune gets back home just in time to pay the mortgage, it is safe to say that the modern mortgagee is not going to take the farm if he can avoid doing so. So long as the interest and amortization payments are forthcoming, he will not take the place as a gift; for while land is an excellent security for mortgage loans and is the basis of the mortgage loan business, money lending agencies want it only as security. They have no use for it as a possession. The really critical phase of all discussion of the condition of the Farm Loan Banks of the country lies in the appraisals of real estate on which their mortgage loans are based, and it is in this matter of original appraisement and subsequent reappraisements and in the system of examinations to check the security on which the loans of these institutions are based that the most serious questions of the future of the farm loan system have been founded. Sound original appraisement and repeated examination are the chief guaranties of the future soundness of these institutions. On the other hand, the best test of what has been done in the past are the actual results at present. Loans placed by both types of banks are for long periods, up to forty years, and upon an amortization basis, the result being that so long as interest and amortization payments are made on a loan the latter becomes increasingly sound. Accordingly if these banks succeed in weathering the extraordinarily difficult period through which agriculture has been passing in the past six or seven years, the country will have every reason to regard their soundness as fully established....The sore spots in American agriculture and the weak spots in the land bank system appear from the fact that the banks reporting real estate holdings in excess of \$100,000 each include the bank at Minneapolis, which held the largest amount, and that at Chicago, which comes next in the list, these banks reflecting conditions in the Minnesota-Wisconsin field and the western Illinois and eastern Iowa fields, respectively; then the banks at Lincoln and Fremont, Neb., and at Des Moines reflecting conditions in the Nebraska-western Iowa field; then banks at Cincinnati, Louisville and Lexington, Ky., affected by conditions in the Kentucky district; then banks at St. Louis, Houston, Tex., Durham, N.C., and Charleston, W. Va...."

**Oleomargarine** An editorial in The Dairy Record for November 2 says: "Oleomargarine interests are making determined effort to spike arguments of the dairy industry which are based upon the presence of vitamins in butter, by adding some vitamin-carrying substance to the cheap oils used in the manufacture of oleomargarine....This move on the part of



the oleomargarine industry to introduce a vitamin-carrying substance in the manufacture of their product has long been anticipated by dairy leaders. If hydrogenation does kill the vitamins and the dairy industry makes this fact known, rest assured that the manufacturers of the so-called substitute will be on the job with some other method of introducing those substances. They are going to have vitamins in their oleomargarine, and that's all there is to it. However, we are not inclined to become unduly worried, for we do not believe that even the presence of vitamins will enable oleomargarine to supplant butter, from a dietary standpoint...."

Sapiro on Aaron Sapiro, in an address before the Washington Advertising Cooperation Club Nov. 16, declared the farmers' problems could be solved only by the farmers themselves through organization.

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Section 3  
MARKET QUOTATIONS

Farm Products Nov. 17: Top price on hogs at Chicago was \$9.75 or steady with a week ago.

Maine sacked Green Mountain potatoes \$2.15-\$2.25 per 100 pounds in New York City; \$1.50-\$1.55 f.o.b. Presque Isle. Pennsylvania sacked Round Whites \$1.85-\$2.25 in the East. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago. New York and midwestern yellow onions \$1.25-\$1.90 sacked per 100 pounds in consuming centers; \$1.30-\$1.45 f.o.b. New York Danish type cabbage \$12-\$18 bulk per ton in terminal markets; mostly \$7 f.o.b. Rochester. New York Baldwin apples \$1.75-\$2.25 per bushel basket in New York City; \$1.85 f.o.b. Rochester. Michigan Jonathans \$8.50-\$9.50 per barrel in Chicago; Baldwins \$6.50-\$7.

Closing prices on 92 score butter: New York 50¢; Chicago 48½¢; Philadelphia 51¢; Boston 48¢.

Closing prices at Wisconsin primary cheese markets Nov. 16: Single Daisies 25½¢; Longhorns 25¢; Square Prints 25¼¢.

Average price of Middling spot cotton in 10 designated markets declined 35 points, closing at 19.22¢ per lb. December future contracts on the New York Cotton Exchange declined 35 points, closing at 19.32¢, and on the New Orleans Cotton Exchange they declined 40 points, closing at 19.45¢.

December wheat closed at Chicago at about \$1.27½, at Minneapolis \$1.24 1/3, Kansas City \$1.23¼. December corn at Chicago closed about 83¾¢ with oats 49¼¢ a bushel. (Prepared by Bu. of Agr. Econ.)

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Vol. XXVII, No. 43

Section 1

November 19, 1927.

## FRENCH AND WHEAT TARIFFS

A press dispatch to-day says: "A new tariff issue between France and the United States became a possibility yesterday when a Government decree, effective immediately, was published in the Journal Officiel instituting heavy duties on frozen meats and doubling the rates on wheat imports. A close examination of the decree disclosed the disquieting fact that American shippers will be among the severest sufferers. American meat packers, who have been quietly waging a strong fight to prevent the Government's action, are disheartened over the situation. Frozen beef and all other meats except pork will henceforth pay a duty of 85 francs per 200 pounds. Since the American meat packers, operating from Argentina, Brazil and Uruguay, ship considerably more than 100,000,000 pounds of meat each year into France, the extent of the blow can be readily appreciated. Frozen meats have paid no duty since 1914...."

## PUEYRREDON PRO- POSES MEAT CONGRESS

The press to-day reports from Buenos Aires that the Ministry of Foreign Relations has received from Ambassador Pueyrredon at Washington a proposal to hold a world meat congress to study the industry and its problems in all their aspects. The proposal has been favorably received by officials of stock companies in Buenos Aires who consider that such a move might open new markets for Argentine meat.

## INTERNATIONAL RADIO CONFER- ENCE

"With the first roll-call vote of the International Radio Telegraphic Conference, the sixth plenary session by a majority of three votes yesterday forestalled a manoeuvre of the United States and Great Britain to Quash Article 13A of the Washington compact, which provides for the creation of an international technical consulting committee. The opposition of the American and British delegations was based on the grounds that, since the convention would lack any voting provision, the international committee would not be able to vote modification of the convention in line with the development of radio science, as intended, and consequently would lack any reason for existing...." (Press, Nov. 19.)

## EDISON AND SYNTHETIC RUBBER

An Associated Press dispatch from New York to-day says: "The Evening Post says Thomas A. Edison has made important progress in his quest for a rubber substitute which he believes will revolutionize the world's rubber industry, or at least make this country independent of foreign monopoly. J.V. Miller, who passes the greater part of his time in assisting the inventor in his latest researches, is quoted as saying: 'We have scarcely penetrated the surface of the problem. We have learned much that is encouraging. I should not like to say we have made great progress—rather, important progress. We have reason to believe we are on the right track.' ...."



## Section 2

**Business Men's Report** In an editorial review of the Business Men's Agricultural Report, The Stockman and Farmer for November 19 says: "...The Commission regards a national policy of land utilization as essential to agricultural prosperity, and suggests a national agricultural foundation, an endowed body, to undertake the classification of land and the development of plans for its use. This might be feasible if the land were public property, but how can such a body achieve anything with land as it now is in private hands? In what way could it do more than economic forces now do in determining the utilization of land, or as much? Lower taxation, lower interest rates, lower freight rates are all discussed in general terms; but one definite recommendation in regard to taxation should be approved, that the States relinquish the general property tax to the local governing units and obtain such revenue as they need by income, business and excise taxes. This policy is in effect in some States and it is correct. Evidently the commission has conscientiously endeavored to consider and to solve the problem before it; but beyond its statement as to the tariff there is little in its report likely to create serious discussion."

**Forestry Conference** An editorial in Chicago Journal of Commerce for November 17 says: "The first commercial forestry conference of national scope is now in session in Chicago. It is being held under the auspices of the Chamber of Commerce of the United States, with the cooperation of the Federal Government and of many associations interested in the forest and its products. The conference is undertaking to arouse public interest in forestry to induce a greater measure of State and Federal cooperation in reforestation, and to encourage private enterprise in the commercial growth of timber. The last is the all important purpose of the conference. Government propagation and protection, fire control and disease elimination, all are essential to a comprehensive national forestry policy, but reforestation never will be much more than an ambition and a gesture until it is made desirable and profitable for private land owners to grow timber. That time will not come until the policies of most of the States in taxation of forest land shall have been completely reversed. To-day most States impose tax laws which discourage reforestation almost to the point of making it economically impossible. They tax forest lands as they would agricultural lands--as though a crop were coming off them every year..... When our States pass constructive forest land tax laws, they will have commercial reforestation on a large scale. This means relieving the timber asset from much or all of taxation while it is growing, and imposing the accumulative tax burden when the timber is cut. This sort of a tax law encourages the growing of timber and penalizes the cutting of it. To-day practically all States tax in a diametrically contrary fashion.... Six or eight States have passed reasonably constructive forest taxation laws. If the legislatures of the rest of the States in the next session were to pass similar laws, there would be little left to be done to solve the forestry problem of America."

**French Wheat and Beef Tariffs** A Paris dispatch Nov. 18 states that a decree increasing the customs tariff on wheat from 25 francs to 35 per Quintal--slightly less than three bushels--was promulgated in the Journal Officiel Nov. 18. A decree increasing the duty on beef on the hoof, in storage and frozen, and also on sheep, will be studied further and made public at an early date.





**International Livestock Exposition** An editorial in Ohio Stockman and Farmer for November 19 says: "The International Livestock Exposition is an organization not for profit. It never pays dividends to stockholders, for there are no cash dividends; but it pays big dividends to the industries it represents and to those who go to study its many lessons. Every stockman can get his dividends by simply going and keeping his eyes and ears open. It is a remarkable fact that all those who have attended in the past want to attend again. Never since the first International in 1900 have we found anybody who though he failed to get his money's worth, and we have attended every one of these great shows. Let us remember that the International brings together not only a wonderful array of livestock but also the leaders of the livestock industry. Three dozen national organizations hold their annual meetings in connection with their shows. Men from whom anybody can learn are always there, always approachable, always ready to confer with and help those who seek information. The livestock side of the International is amazing, but even greater is the human side of it, and in this we must count not only the leaders of to-day but the boys and girls who are to be the stockmen of the future. Entry lists show that this year's Exposition is to be unsurpassed, probably unequalled, by any of past years. The International opens November 25, but the real show begins with November 23 and lasts all of that week."

**International Meat War Results** A London dispatch to the press to-day states that the meat war of American, Argentine and British packers ended apparently only just in time to save from extinction one of the companies concerned therein. As a result of the conflict the English and Dutch Meat Company issued a statement Nov. 17 that the loss it incurred was over \$3,000,000 in trading in the two years ending June 30 last year.

**Motor Cars in Britain** At the end of 1926 there were 1,694,000 motor vehicles in Great Britain, or more than six times the number for the first post-war year, 1919. The figures for the various classes of vehicles, as compared with those for 1919 are: cars 386,000 against 71,000; trucks 260,000 against 38,000; hackney vehicles 101,000 against 47,000; motor-cycles 629,000 against 115,000, and exempt vehicles 18,000, making a total of 1,694,000 in 1926 against only 271,000 in 1919.

**Mussolini on Italian Agriculture** Paul V. Collins gives the substance of a recent interview with Mussolini in the Outlook for November 15. It follows in part: "How do you purpose, your Excellency, to develop agriculture? By means of large holdings, so that it will be possible to use large improved farm machinery? Or by small units for individual farmers?" "By small farms," he answered, "ten or twenty hectares. But we shall use modern machines--tractors and gang-plows." "How is that possible? We have not been able in America to do so on small farms. How can your small farmers buy tractors and other implements?" "Oh, the landowner will supply all machinery and give the use of the land and tools. He gets half the crop." "Then it is on farms rented on shares that Italy's agriculture will be developed?" "Yes. You know, we let all farm machinery and benzine come into Italy free of duty. We want the best. ...The Italian landowners, under Fascist influences, see the need of modern farm machinery, and, while the many tenants upon the estates will each do his own cultivating, they will have the advantage of all the economies of bonanza farm machinery. Down with the wooden plow! And they are



learning to appreciate deep plowing, for Italy suffers from drought, and 'dry farming' is desirable...."

## Prices

A slight continued upward movement of wholesale prices is shown for October by information collected in representative markets by the Bureau of Labor Statistics of the Department of Labor. The bureau's revised index number, computed on prices in the year 1926 as the base and including 550 commodities or price series, stands at 97.0 for October as compared with 96.5 for the month before, a rise of  $\frac{5}{10}$  of 1 per cent. Compared with October, 1926, however, with an index number of 99.4, a decrease of nearly  $2\frac{1}{2}$  per cent is shown. Farm products declined somewhat from the September price level, due mainly to decreases in corn and cotton. Cattle, eggs, hay, and wool on the other hand averaged higher than in the preceding month. Foodstuffs rose sharply in price, with increases reported for butter, cheese, fresh and cured meats, coffee, and rye flour. Small increases took place in the groups of hides and leather products and chemicals and drugs. Practically no change in the price level is shown for textile products and housefurnishing goods, while slight decreases are shown for fuel and lighting, metals and metal products, building materials, and miscellaneous commodities. Comparing prices in October with those of a year ago, as measured by changes in the index numbers, it is seen that farm products and hides and leather products were considerably higher, while textile products were slightly higher. Decreases are shown for all other groups of commodities, ranging from less than 1 per cent in the case of foods and housefurnishing goods, to 8 per cent in the case of building materials, and 17 per cent in the case of fuel and lighting.

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## Section 3

### Department of Agriculture

Secretary Jardine's address before the Nebraska Farmers' Elevator Association is reviewed in an editorial in The Journal of Commerce for November 18, which says: "Secretary Jardine, in an address read before the Nebraska Farmers' Elevator Association, insists upon the necessity of what he calls 'centralized control in marketing.' ...Why should this cooperative or centralized control of grain marketing be necessary? Mr. Jardine is perfectly frank in telling the reason. 'When grain is marketed by strong...organizations...the farmers...should be able to sell at a price which...is not temporarily advanced or depressed ...' Stability of prices or, in the parlance of the day, 'stabilization' of prices, is what is wanted....Put this in plain language and what it amounts to is about as follows: If farmers can be induced to organize strong associations they will be able to exert a control over prices which will make them more stable and, as a result, they will be able to control the amount and possibly the quality of wheat turned out so that eventually there will be an 'economic' adjustment of supply to demand, with the result that the farmer will make money. There is no doubt that a good deal of what the Secretary said has truth in it. Such organizations have never succeeded very well in this country, but that is partly due to fortuitous conditions which have interfered with them. They have had some success elsewhere and there is no reason why they might not have a good deal more if they would go at the task in the right way....."

1. The first part of the report is a general introduction to the subject.

2. The second part of the report is a detailed description of the methods used.

3. The third part of the report is a discussion of the results obtained.

4. The fourth part of the report is a conclusion and a list of references.

5. The fifth part of the report is a summary of the work done.

6. The sixth part of the report is a list of the names of the people who helped.

7. The seventh part of the report is a list of the names of the people who helped.

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23. The twenty-third part of the report is a list of the names of the people who helped.



Section 4  
MARKET QUOTATIONS

Farm Products      Nov. 18: Top price on hogs at Chicago was \$9.50 or 35¢ less than a week ago.

Maine sacked Green Mountain potatoes \$2-\$2.25 per 100 pounds in a few eastern markets; \$1.45-\$1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago; \$1.30-\$1.35 f.o.b. Waupaca. New York and midwestern yellow onions \$1.35-\$1.75 sacked per 100 pounds in consuming centers; \$1.35-\$1.45 f.o.b. New York Danish type cabbage \$10-\$18 bulk per ton in city markets; mostly around \$7 f.o.b. Rochester. Various varieties of winter apples \$1.25-\$2.25 per bushel basket in eastern cities. Michigan Baldwins \$6.50-\$7 per barrel in Chicago; Jonathans \$8.50-\$9.50.

Closing prices on 92 score butter: New York 50¢; Chicago 48 $\frac{3}{4}$ ¢; Philadelphia 51¢; Boston 48¢.

Closing prices at Wisconsin primary cheese markets Nov. 17: Single Daisies 25 $\frac{1}{2}$ ¢; Young Americas 25 $\frac{3}{4}$ ¢; Longhorns 25¢.

Average price of Middling spot cotton in 10 designated markets advanced 10 points, closing at 19.32¢ per lb. December future contracts on the New York Cotton Exchange advanced 9 points, closing at 19.41¢, and on the New Orleans Cotton Exchange they advanced 7 points, closing at 19.52¢.

December wheat at Chicago closed about \$1.27 1/8; Minneapolis \$1.23 $\frac{3}{4}$ ; Kansas City \$1.23. December corn at Chicago closed 87 $\frac{1}{4}$ ¢; December oats 49 3/8¢; and December rye \$1.03 7/8. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

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Vol. XXVII, No. 44

Section 1

November 21, 1927

**LAND GRANT COLLEGE PLAN** A Chicago dispatch to the press of Nov. 20 says: "No single act of legislation can bring farm relief, according to the opinion of a special committee of the American Association of Land Grant Colleges and Universities after a six months' study of the problem.

A summary of the committee's report, given at the association's thirty-first annual convention at Chicago, suggested as methods of hastening improvement in agriculture the following: No further development of land for agricultural use and development of a far-sighted land policy. Control of surpluses through adjustments in acreage and numbers of livestock, withholding of new lands from cultivation, greater use of storage facilities, sound marketing organizations and unified action in handling such parts of commodities as may prove burdensome, as well as favorable and sound types of legislation. The committee also recommended the formation of State programs for equalizing tax burdens and early adjustment of freight rates. It suggested that money from the Federal intermediate credit banks should be made available to cooperative buying as well as selling associations. To help the farm labor situation the committee advised modifying the immigration laws by tightening rather than relaxing the restrictions. It would also like to see agricultural tariff rates put on a level with those on the products of industry, the committee said. More research in production, economics and social conditions were needed, it was declared, and broad, permanent legislation to enable agriculture to meet emergencies as they arose was recommended by the committee."

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**FAIRSH ON AMERICAN FOREIGN TRADE** The United States must spend at least one-ninetieth of its annual income in foreign markets to avert a world credit crisis, said George Faish, noted British economist, in an article in the Tariff Review. "The United States ought to spend \$1,000,000,000 or better, \$2,000,000,000, out of its annual income of \$90,000,000,000 in foreign countries, to permit these countries to purchase American produce in return and to enable them to meet their obligations to this country for the capital supplied them since the war," said Sir George.

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**WILD DONKEYS IN UTAH** Hundreds of wild donkeys roving about the vicinity of Price, Utah, are presenting a bothersome problem to that community, says a dispatch to the Salt Lake Tribune. The diminutive animals, originally imported for mining prospectors, are eating all the grass and in dry years devour the bark off the big trees. The small beasts have multiplied rapidly since the first few were brought into the region in 1905. Ranchers can corral and ship the wild horses which also are numerous in the country around Price, but the donkeys are too nimble footed and escape the round-up. A move to slaughter them in a gigantic drive is under way.

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**GIRL IN FORESTRY SCHOOL** A Minneapolis dispatch Nov. 20 states that after years of exclusively male enrollment, the school of forestry at the University of Minnesota has been invaded by a girl, Jane Oakley of Asheville, N.C.

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## Section 2

British  
Rubber  
Research

A London dispatch to the press of Nov. 17 states that a bill was introduced Nov. 16 in the House of Commons to allow the Rubber Research Association to collect 15,000 pounds annually from rubber manufacturers in Britain and Northern Ireland for five years after the expiration of the Government grant in 1929. Such a levy is necessary, said the sponsor of the bill, if the competition in the rubber industry by America and Germany is to be successfully met by the discovery of new processes and methods.

Campbell on  
Modern  
Farming

Farming is the most profitable legitimate occupation in the United States, when conducted by improved machinery over a period of ten years, Thomas D. Campbell, of Hardin, Mont., told officials of the Patent Office and the Department of Agriculture in an illustrated lecture on "Improved Methods of Farming," Nov. 18, at a meeting of the Patent Office Society, according to the press of Nov. 19. Campbell is one of the world's largest individual grain growers, having grown approximately 500,000 bushels during 1926. He exhibited to the society motion pictures of harvesting with an old harvester, and then pictures of windrow harvesting, which he declared would save the farmers of the United States \$100,000,000 annually, if generally adopted.

Canadian  
Pools

An editorial in The Nebraska Farmer for November 12 says: "The Canadian farmers, 142,000 of whom successfully organized a wheat pool and are handling over 50 per cent of the crop, are very jealous of their independence. They eschew politics or governmental interference at every turn. When they were organizing, some of the provincial governments extended them aid in the form of money for promotional purposes. They used only a little of it, if any, and promptly repaid what was used. Now they feature the fact that they are not dependent upon the Government, and will not permit politics or politicians to have an active part in their affairs...."

## Corn Borer

An editorial in Pennsylvania Farmer for November 19 says: "The final check-up on the results of the corn borer control work of last spring indicates that the work was well worth while. Those who were inclined to look for a complete eradication of the pest had little knowledge of the nature of such work. The fact that the increase over 1926 damage was as low as it was is no doubt due to the clean-up campaign. Without doubt, if nothing had been done, the spread would have been many times greater. The campaign, even though the cost seems high, was time and money well spent in showing the farmers in the affected districts how to fight the pest. Of course, real success depends upon continuing the warfare every year....."

## Food Prices

The retail food index issued by the Bureau of Labor Statistics of the Department of Labor shows for October 15, 1927, an increase of about one and a half per cent since September 15, 1927; a decrease of nearly two and half per cent since October 15, 1926; and an increase of a little more than 50 per cent since October 15, 1913. The index number (1913 = 100.0) was 160.0 in October, 1926; 154.0 in September, 1927; and 156.1 in October, 1927. During the month from Sept. 15 to Oct. 15 of this year prices increased on nineteen articles of food. Strictly fresh eggs topped the list with a jump of 16 per cent. The





other heavy increases were 5 per cent for oranges and 4 per cent for butter. The average cost of food increased in forty-nine out of fifty-one cities reporting. New York, Pittsburgh, Rochester, Minneapolis, Baltimore and Kansas City led the list with an increase of 3 per cent. The two cities reporting decreases were Butte, 1 per cent, and Jacksonville, less than one-half of 1 per cent.

**German Potash Trust** Plans of two German companies to form a potash trust are meeting with considerable opposition, it was reported to the Department of Commerce Nov. 18 by Trade Commissioner William T. Daugherty at Berlin. German potash concerns opposing the proposed trust argue that if a trust would shut down more works these would be but few in number, and the trust, furthermore, would not be able to lower potash prices. More intensive specialization in products is declared questionable, while processes could be exchanged as well as without a trust, not to mention the fact that the potash syndicate already has a pool for such processes in the potash research institute. (Press, Nov. 19.)

**New England Flood Credit Committee** A Springfield, Mass., dispatch to the press of Nov. 19 says: "Creation of a flood credit committee to aid stricken Vermont, following on the heels of Secretary Hoover's plea for the New England conference to lead the way in rehabilitating the Green Mountain State's crippled industries, provided a climax for the closing session of the conference Nov. 18. 'The problem of destruction and the problem of rehabilitation fall into four natural groups,' Secretary Hoover said. The first is the individual loss in homes and furniture and the destruction of cattle and tools and implements. Preliminary estimates would show that it lay somewhere between \$1,300,000 and \$10,000,000 in Vermont and New Hampshire. The railroad loss has been estimated by the various companies at a total of \$5,500,000 to \$6,000,000. The highway loss has been estimated at about \$7,500,000 in Vermont and in Connecticut at \$2,500,000, or a total of \$10,000,000. The losses to industry come in Vermont alone to an estimate, under the canvass made by the Industrial Association, of somewhere near \$7,000,000. The probable losses in Vermont alone are in the neighborhood of \$30,000,000, and that spread over a population of less than 400,000...."

**Poultry Co-operation** An editorial in The Idaho Farmer for November 3 says: "Here is a splendid opportunity to perform a service mutually helpful to the poultryman and to the University of Idaho Experiment Station. Pren Moore, poultry husbandman for the university, wants to cooperate with Idaho poultry raisers in keeping certain practical records of flock management on the farm. The extension service furnishes the forms and gives instructions in record keeping, in return for the data which the poultryman will supply. Thus the record keeping has a dual purpose--aiding experimental work and directly helping the individual poultryman to keep check on what his flock is doing. The combination is a splendid one, both for the university and for the individual who co-operates."

**Rubber Shipments** World shipments of rubber up to the end of September amounted to 450,693 tons or an increase of about 4,027 tons as compared with the same period of 1926, according to advices just received by Bankers Trust Company of New York from its British Information Service. Shipments of plantation rubber totaled 423,318 tons--an increase of about





4,204 tons over the corresponding period of last year, while wild and Brazilian rubber shipments amounted to 27,375 tons or a decrease of 177 tons. Of the total of 450,693 tons, shipments from British plantations accounted for 151,697 tons; Malayan shipments--about 88% of which are imported from the Dutch Islands--accounted for 129,317 tons; Ceylon accounted for 41,832 tons; Java and Madura 39,741 tons, Sumatra 38,961 tons, while other countries, Brazilian and wild rubber brought up the total. Up to the end of September the United Kingdom had consumed 31,090 tons of rubber, and had a stock on hand amounting to 71,349 tons. Last year in the same period Great Britain's consumption amounted to 32,234 tons and at the end of September 1926 the stock on hand was 36,774 tons. Consumption in the United States up to the end of September amounted to 292,351 tons, and they had on hand 97,829 tons of rubber. Last year the United States consumed in the first nine months 276,427 tons, and had on hand at the end of September 62,078 tons.

**Women Demon-  
stration  
Agents**

An editorial in Successful Farming for November says: "It may have been considered sufficient under the Smith-Lever Act to spread information among farmers by means of county men demonstrators or advisers, with no intent to slight women. Or, it may have seemed to the legislators that only country men needed enlightenment. But as things stand, the men are getting the better service under the act. Many counties think they can not afford a man and a woman demonstrator, so the man is on the job and the women are neglected. It is as important, even more important, that farm women know how to build up and conserve the family health by proper diets, proper sanitary measures, and proper clothing, thus keeping the whole family efficient, than that the men should know how to properly feed and care for the livestock. Knowledge is worth money in both cases. Only by an amendment to the Smith-Lever Act can this inequality be rectified. It is important that a well-trained woman home demonstrator be at work in every county, and especially so because there are more than a hundred thousand more girls enrolled in club work than there are boys. They need the best guidance possible for they are the future farm women. Additional sums appropriated under the Smith-Lever Act are needed to put women demonstrators on an equal footing with men demonstrators."

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Section 3

**Department of  
Agriculture**

In an editorial review of the "Jardine Plan" of agricultural relief, The Farmer (St. Paul) for November 12 says: "...As mentioned in these columns last summer, we believe that there is real merit in the Jardine proposal. From the psychological standpoint alone we believe price levels would rule higher if it could be known that a Federal Farm Board had the power suggested. Furthermore, the plan should do much to strengthen the hands of cooperatives such as the cotton and tobacco associations."

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# Section 4 MARKET QUOTATIONS

**Farm Products** For the week ended Nov. 18: Compared with a week ago choice fed steers and yearlings, 25 cents higher, top 50 cents up, \$18.50 being paid for yearlings and medium weights. Lower grade fed steers mostly 50 cents lower. Fat beef cows and most grades heavy heifers strong to unevenly higher, common and medium cows and common to good light heifers 25 cents lower, spots down more on common light heifers. Cutter cows 15 to 25 cents off. Bulls 10 to 15 cents higher. Vealers 50 cents lower. Choice stockers and feeders held steady, while lower grades, comprising natives mostly, lost 25 to 50 cents. Not many fed steers above \$18.00 choice heavies very scarce; bulk \$12.50 to \$16.00. Short feds, 30 to 90 day kinds, predominating. Weighty kinds got premium over comparable grade yearlings unless latter were choice. Western grass run dwindled. Heavy Canadian steers sold upward to \$15.00, most western grassers \$10.35 to \$12.50 to killers. Heavy grass cows up to \$10.00. Both light and heavy grass heifers sold upward to \$11.00. Choice light fed heifers absent. Most cutter cows \$5.00 to \$5.10 at close. Heavy sausage bulls up to \$7.75, with \$7.50 practical top late.

Potato prices ranged around 10¢-15¢ lower. Maine sacked Green Mountains sold at \$2-\$2.25 per 100 pounds in a few eastern cities; \$1.50-\$1.55 f.o.b. Presque Isle. Northern sacked Round Whites \$1.40-\$1.65 carlot sales in Chicago; \$1.25-\$1.30 f.o.b. Onions tending lower. New York and midwestern sacked yellow varieties ranged \$1.15-\$1.75 per 100 pounds in consuming centers; \$1.35-\$1.45 f.o.b. Cabbage unsettled. New York Danish type ranged \$10-\$18 bulk per ton in terminal markets; mostly \$7 f.o.b. Rochester. Apples generally firm. New York Baldwins sold at \$6-\$6.50 per barrel in New York City; \$5.75-\$6 f.o.b. Rochester. Michigan Baldwins \$6.50-\$7 and Jonathans \$8.50-\$9.50 in Chicago.

Butter markets were generally firm during the week. Fancy goods continue to be scarce, but undergrades plentiful in relation to demand and hard to move. Production apparently at low point, with future trend uncertain. Storage movement has slowed up somewhat resulting in an increase in the surplus over last year. Closing wholesale prices of 92 score butter: New York 50 $\frac{1}{2}$ ¢; Chicago 48 $\frac{3}{4}$ ¢; Philadelphia 51 $\frac{1}{2}$ ¢; Boston 48¢.

Average price of Middling spot cotton in 10 designated markets declined 49 points for the week, closing at 19.27¢ per lb. December future contracts on the New York Cotton Exchange declined 55 points, closing at 19.33¢, and on the New Orleans Cotton Exchange they were down 43 points, closing at 19.57¢.

Grain prices show a slightly easier tendency in domestic markets with fractional declines for all futures except oats. December wheat closed at Chicago at about \$1.26  $\frac{5}{8}$  per bushel, at Minneapolis at \$1.23  $\frac{3}{8}$ ; at Kansas City \$1.22  $\frac{1}{4}$ . December corn at Chicago closed at 86  $\frac{3}{4}$ ¢, December oats at 49  $\frac{3}{8}$ ¢ and December rye at \$1.03  $\frac{1}{2}$ . (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Nov. 19,	Nov. 18,	Nov. 19, 1926
	20 Industrials	196.83	196.68	150.36
	20 R.R. stocks	140.04	140.00	117.45
(Wall St. Jour., Nov. 21.)				





# DAILY DIGEST

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Vol. XXVII, No. 45

Section 1

November 22, 1927.

**INCOME TAX CUT** By an overwhelming vote the members of the House ways and means committee yesterday decided to recommend a total tax reduction of \$250,000,000, according to the press to-day. This is \$25,000,000 more than Secretary Mellon suggested when he appeared before the committee three weeks ago.

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**TABER REELECTED  
GRANGE HEAD** An Associated Press dispatch to-day from Cleveland, Ohio, says: "Reelection yesterday of Louis J. Taber, Columbus, Ohio, as master of the National Grange for the third successive two-year term was looked upon by Grange leaders as an indorsement of Taber's sustained fight for an 'export debenture as the most logical solution to the farm relief problem.'..."

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**NEW ENGLAND FLOOD  
DAMAGE** The Associated Press to-day reports that estimates in the hands of Secretary Hoover place the New England flood damage at between \$25,000,000 and \$30,000,000. The figures were compiled from reports by the various State departments, by chambers of commerce and by railroads traversing the stricken territory. These estimates represent rough and hasty calculations, Mr. Hoover said.

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**MUSHROOM POISONING  
SERUM** M. Dujarric de la Riviere, professor at the Pasteur Institute in Paris, has invented a serum treatment for mushroom poisoning, according to the Paris correspondent of The Journal of the American Association.

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**THE FRENCH TARIFF** A Paris dispatch to the press to-day reports that the temporary tariff agreement between France and the United States became effective yesterday morning, ten weeks and five days after operation of the Franco-German commercial treaty brought the sale in France of millions of dollars worth of American manufactured goods to a practical standstill, due to the quadrupling of duties. The first shipments of American products held in bonded warehouses in French ports began arriving in Paris yesterday. Much larger shipments are either on the ocean or about to leave American ports. It is estimated that between \$1,500,000 and \$2,000,000 worth of goods is involved in these two operations.

A Washington report states that Assistant Secretary Lowman of the Treasury Department said yesterday that instructions had gone out to all Customs collectors to be prepared to reduce rates on certain articles imported from France to meet, as specified by the tariff law of 1922, reductions which the French Government has ordered, effective yesterday, on similar articles exported from the United States.

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## Section 2

British Boys  
and Girls  
Clubs

The Journal of the Ministry of Agriculture for November says: "It will be remembered that about three years ago the Ministry took over the control of the Young Farmers' Clubs Movement in this country, and appointed an officer to foster the formation of clubs and, generally, to supervise and establish the movement in rural districts. At that time, there existed 13 clubs with a total membership of about 260, distributed over 8 counties. During the intervening period, considerable progress has been made, and there are now 130 clubs, organized on progressive lines, with over 3,000 members in 23 counties. Of these clubs, 72 specialize in poultry-rearing; 35 deal with 'mixed' stock, i.e., any individual club may work with poultry and rabbits, with poultry and horticulture, with rabbits and calves, or may even combine all these interests; 16 are devoted to rearing calves; 3 are bee clubs; 3 tend rabbits; and one devotes its whole activities to horticulture. Six calf clubs had entered for the annual dairy cattle judging competition, which was to have been held at the Dairy Show last month. Unfortunately the exclusion of cattle from the show, on account of the outbreak of foot-and-mouth disease near London, rendered a postponement necessary...."

Cotton Futures  
Trading

Fenner and Beane, New York and New Orleans Cotton Exchanges, issues the following statement: "In holding that the Georgia law of 1906 prohibits bucket shops and bucket shop gambling transactions in cotton futures, but does not prohibit legitimate buying and selling of contracts for future delivery over the exchanges, according to their regular methods of doing business and in keeping with the Federal cotton future trading act, the Georgia Supreme Court has opened the way for the clearing up of a legislative controversy in several cotton growing States which for twenty years has disturbed the cotton industry no little....In its broader aspect, the decision of the Georgia Supreme Court will undoubtedly cause the State legislatures in future to frame their laws relative to future trading more carefully by clearly drawing the line between legitimate future hedge trading and bucket shop gambling."

Economics  
Teaching

L.C. Marshall of the University of Chicago has compiled, under the title "Offerings in Economics in 1925-26," a set of work tabulations in economics and presents them in The Journal of Political Economy for October, with an extensive analysis of the tables. At a conference on the teaching of economics held at the University of Chicago in 1911 a committee made a report on "The Teaching of Economics in the United States" as of 1910-11. One of the sections of that report dealt with the amount of instruction in economics in the country, the distribution of this instruction among various subjects, and its distribution in territorial or geographical areas. This present paper portrays these same particulars as of 1925-26--fifteen years having gone by. Among the changes in individual subjects it is shown that the total hours in 1925-26 were 4.6 times the total hours for 1910-11. The following subjects maintained the average rate of increase, or slightly less: labor (4.6), geography and resources (4.0), money, banking, credit (3.9), transportation (3.6). The striking increases were in statistics (8.5), economics of agriculture (11.1), "business courses" (12.9), and accounting (15.1). The review states that the proliferation of courses in the business field has been vast. Even foreign trade had in 1925-26 more hours than all "various business





courses" had in 1910-11, and the quantity of hours of marketing, business law, business finance, and business organization is staggering. These four subjects were credited with more hours in 1925-26 than all economic and business subjects had in 1910-11. The fifteen year period, according to the article, has witnessed a remarkable increase in the offerings of economics in our colleges and universities. The fifteen years also have witnessed a great increase of work in economics in secondary schools and schools of technology. The review states that the demand for instructors has been so great that hundreds of men of inadequate training have gone out from graduate institutions to responsible academic positions. There are to-day between 2,200 and 2,500 teachers of economics in our colleges and universities. There are not that many well-trained instructors, and little constructive educational planning has taken place in the field.

Hoover on  
Business  
Cycles

"How Strong is Our Prosperity" is the title of an interview granted by Secretary Hoover to C.G. Wyckoff, publisher of The Magazine of Wall Street, and appearing in that journal for November 19. Mr. Hoover was asked whether in the view of the Department of Commerce the business cycle had been abolished. He replied that up to date economic prophets have not justified their having much reputation either abroad or at home. He said he believed that the profound forces which have been in motion in the whole business world, particularly during the past 15 years, are making for greater stability, and have greatly mitigated the business cycle. Among factors contributing to this condition is the Federal Reserve System, which has proved its ability to guarantee against money panics. Other factors in Mr. Hoover's opinion are increasing skill in business and technical direction, in scientific discovery and invention due to the enormous spread of education; and finally in improvement in private and governmental information services as to economic movements. "We have now," he says, "a lot of useful statistical and economic lighthouses by which navigation of business becomes more secure."

Irish Policies

The Field (London) for November 3 says: "The Irish free state shows vigor and a deal of good sense in the way the country's economic problems are tackled. The Government has just carried through a measure which imposes an import tax of threepence a pound on imported margarine. At the same time guarantees have been secured from the Irish manufacturers of margarine at Waterford that the price of Irish made margarine shall not be raised, and the Government reserves the right to abolish the tariff if the retail price of margarine is raised. This scheme should result in an increased demand for Irish butter as well as giving a fillip to the trade of the Waterford margarine factories. Margarine at its best is a poor foodstuff compared with butter and it would be a decided benefit to public health if margarine were to drop out of everyday consumption. None but political purists can object to such a beneficial plan as that recently approved by Dail Eireann. It encourages Irish industry as well as protects the health of the people. It would perhaps be a hardship to the very poor to prohibit altogether the use of margarine, but it would unquestionably be a sound public health measure...."



[illegible]

Horse Meat for France      A Paris dispatch Nov. 20 says: "Behind the brief announcement Nov. 19 that hereafter France would collect an 85-franc tax for every 200 pounds of horse meat imported from the United States and other nations is a story of how an enterprising American dealer worked overtime to have the French restrictions on this commodity removed only to have the market flooded by American competitors. About a year ago the Department of Commerce, at the instance of an Oregon concern, undertook to induce the French Government to lift the then existing ban on imported horse meat....The Commerce Department announced the lifting of the ban through its numerous channels, and in a few weeks there converged upon French ports hundreds of tons of frozen horse meat. The first arrivals were sold, but the great majority remains in cold storage warehouses at Havre and Paris with the hope that French taste for horse will take a sudden turn for the better. The Americans, it appears, did not realize the limitations of the French market nor did they consider the fact that there was already an extensive domestic business in horse meat."

Refrigeration Service Abroad      An editorial in The Idaho Farmer for November 3 says: "A news item declares that in order to facilitate handling of perishables in fruit-growing sections of California, the Southern Pacific is spending over \$1,000,000 on track extensions and improvements. Another news item relates that regular refrigeration boat service will be available from the Pacific Northwest to India and the Dutch East Indies this season. The boats plying between the Northwest and those countries have been fitted with a limited refrigerator space for carrying apples. For the first time apples will go to these countries direct. As a matter of fact very few boxed apples from the Northwest ever have reached these countries and they have gone there by transshipment from England. Boats from the Northwest will reach India in 30 to 35 days or in less time than it takes to reach England by water through the Panama Canal. Refrigeration boat service will be reestablished with South America this season."

Sugar Treaty      In an editorial on the recent sugar treaty by four sugar producing countries, The Planter and Sugar Manufacturer for November 19 says: "...It was asserted by the leading delegates that nothing in the agreement could be interpreted as tending towards the establishment of a trust or a combine in the restraint of trade. It is understood that the fixing of prices is not a factor in the agreement, the arrangement being devoted to regulating the distribution of the sugar output of the countries entering the agreement and preventing the congesting of markets through uncontrolled shipments. The treaty provides for an international sugar committee-composed of two members from each country signing the agreement to apportion their exports. The object of this treaty is not to create a monopoly, but to invite co-operation of all sugar exporting countries and bring about a stabilization in the world's marketing of this important product....It is the opinion of the delegates that the agreement will enable the sugar industry everywhere to continue under more favorable conditions until the present overproduction is balanced by the rapidly increasing consumption of this product and will avert destructive competition between the large producing units. At the present rate of the increase in sugar consumption throughout the world, it is estimated that in a few years the consumption will equal the present capacity of production and automatically stabilize the industry...."



Section 3  
MARKET QUOTATIONS

Farm Products Nov. 21: Potato prices slightly lower. Maine sacked Green Mountains sold at \$2-\$2.25 per 100 pounds in a few eastern cities; mostly \$1.55 f.o.b. Presque Isle. Northern sacked Round Whites \$1.40-\$1.65 carlot sales in Chicago; \$1.25-\$1.35 f.o.b. New York Danish type cabbage around \$4 lower at \$10-\$16 bulk per ton in terminal markets; mostly \$7 f.o.b. Rochester. Florida pointed type \$2-\$2.25 per  $1\frac{1}{2}$  bushel hamper in a few eastern markets. Onions fairly steady. New York and midwestern yellow varieties ranged \$1.25-\$2 sacked per 100 pounds in consuming centers; \$1.35-\$1.45 f.o.b. Apples firm. Eastern Yorks sold at \$5.50-\$5.75 per barrel in New York City; New York Baldwins \$1.75-\$2 per bushel basket. Michigan Jonathans \$8.50-\$10 per barrel in Chicago.

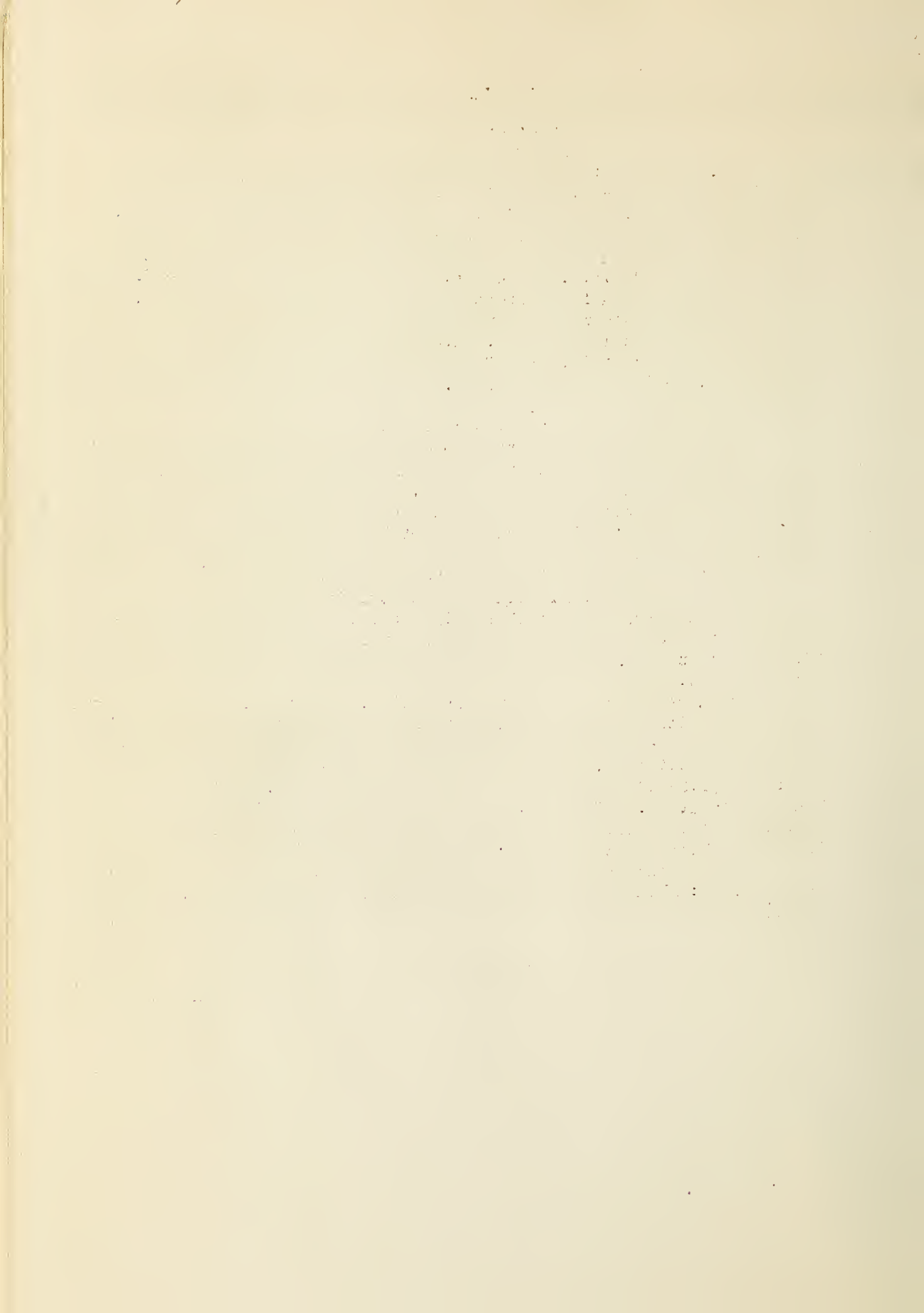
Top price on hogs at Chicago is \$9.25 or 35¢ lower than a week ago. Better grades of beef steers are steady, lower grades showing some unevenness. She stock prices were generally lower, stockers and feeders uneven, vealers also declining. Heavy calves and sheep were steady, fat lambs slightly higher and feeding lambs weak. Wholesale prices on fresh western dressed meats at New York were steady on good grade steer beef and mutton, \$2 lower on veal, \$1 to \$2 lower on lamb and steady to \$1 lower on light and heavy pork loins.

Average price of Middling spot cotton in 10 designated markets advanced 54 points, closing at 19.81¢ per lb. December future contracts on the New York Cotton Exchange advanced 56 points, closing at 19.89¢, and on the New Orleans Cotton Exchange they advanced 55 points, closing at 20.12¢.

Grain prices were slightly irregular. Wheat prices strengthened with good milling demand and strength in corn markets, together with a decrease in the domestic visible supply and private reports of less favorable conditions in the Argentine. December wheat at Chicago closed at \$1.27  $\frac{3}{8}$  per bushel, at Minneapolis at \$1.24  $\frac{1}{8}$  and Kansas City at \$1.22  $\frac{7}{8}$ . December corn at Chicago closed at 86  $\frac{3}{4}$ ¢, December oats at 48  $\frac{7}{8}$ ¢, and December rye at Chicago was \$1.04, and Minneapolis December rye closed at 98  $\frac{3}{4}$ ¢.

Closing wholesale prices of 92 score butter: New York 50 $\frac{1}{2}$ ¢; Chicago 48 $\frac{3}{4}$ ¢; Philadelphia 51 $\frac{1}{2}$ ¢; Boston 48¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XXVII, No. 46

Section 1

November 23, 1927.

## TAX REDUCTION

Disposing in rapid order of all major issues entering into the question of tax reduction, the House ways and means committee yesterday approved a program calling for a total cut of \$235,820,000 in revenue rates, according to the press to-day.

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## FLOOD CONTROL

The Federal Government is the proper agency to control the flood waters of the Nation, the House flood committee was told yesterday by New England and lower Mississippi Valley spokesmen. (Press, Nov. 23.)

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## POPULATION PREDICTION

The United States in 1930 will have a total population of about 124,000,000, according to W.M. Stewart, Director of the Census, in his annual report to Secretary Hoover made public at Washington yesterday.

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## FARM TAXES

A Cleveland dispatch to the press to-day states that picturing the farmer "as fairly groaning under the burdens of State and local taxation," James H. Emery, counsel for the National Association of Manufacturers, Washington, made a plea before the National Grange at Cleveland yesterday for "a more closely knit unity of action between agriculture and industry." "...Farmers and business men both are living under the delusion that their tax burden is fast being lightened by economy in Federal expenditures, without realizing that State and local taxes have risen to equalize the sum cut by the National Government," Emery told the State Grange masters and their wives, who comprise the official assembly of the National Grange in session. "If every man and woman in the country realized that they are working between six weeks and two months of every year to meet State, local and national taxes, we would soon develop the tax consciousness necessary for a reduction in our States and communities," Emery declared. He recommended State budgeting, greater restrictions on public debts, no issue of bonds for public projects without a referendum and cutting of Governmental pay rolls in States and communities where jurisdictions on common matters overlap.

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## WOOL

The Commercial Bulletin (Boston) for Nov. 19 says: "There is more general competition and a fair volume of wool is being sold. Manufacturers and topmakers are showing interest especially in fine and half-blood domestic wools, especially territory and Texas. Prices show a hardening tendency. The fall Texas wools were all sold this week, prices having ranged from 35 to 36½ cents at Del Rio. The foreign markets are generally firm. New Zealand opened the season high. Montevideo has reduced extreme asking prices somewhat on finer qualities. Australia is very strong. Mohair is in moderate request at unchanged prices..."

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## Section 2

**Business** An editorial on the Business Men's Report on Agriculture, in Men's Report Wallaces' Farmer for Nov. 13, says: "...The trouble with the report, of course, is that all its remedies are half-way remedies. The commission itself seems doubtful about whether its suggestions would begin to meet the situation. It merely recommends that these be tried, and then, if they don't do the work, that more drastic steps be taken. Most farmers will be inclined to think that enough time has been spent in experimenting with half-way measures. An appeal for still further delay will not get very far."

**Dutch Sugar Growers** A Paris dispatch Nov. 22 says: "Negotiations just begun in Rotterdam between Dutch sugar growers and Colonel J.H. Taraga, personal representative of the President of Cuba, will probably determine whether the world sugar supply is to be restricted by the big sugar exporting nations. American Government observers are the most interested outside watchers of the Dutch meetings, for the successful operation of an international sugar accord would mean millions of dollars to the American housewife in increased sugar prices. The United States imports 3,000,000 tons annually--half the total consumption--and this largely from Cuba. Dutch growers, for unknown reasons, refused to attend last week's congress held in Paris by the leaders of the sugar industries of Germany, Cuba, Czechoslovakia and Poland--the four countries which, with Holland, comprise the biggest exporting group in the world. The Paris conference, according to official announcements, reached a complete accord for the restriction of production...."

**Floods and Finance** An editorial in The Wall Street Journal for November 22 says: "What has come to be known as the Missouri plan for flood control in the Mississippi basin is promised to Congress in the shape of a bill from Senator Hawes, providing for a Federal bond issue of \$1,000,000,000, available in ten annual installments. It will presumably have the support of the Mississippi Valley Association, which has its St. Louis headquarters in Senator Hawes' State, though the formal resolutions adopted by that body this week mentioned no cost figures.... These resolutions, which may be accepted as representing authoritatively the general nature of the Mississippi flood control movement, call upon Congress to make the restriction of overflow waters the prime object of all its plans, but sedulously annex to it the development of internal waterways. Obviously this is done with a savvy regard to the wider political support which may thus be obtained for the movement, including Secretary Hoover with his colossal scheme for water transport and power development, Federally financed. It is much too early to pass judgment upon the merits of these interlocked projects as they may be presented to Congress.... It remains to be seen whether the reports of the Army engineers will find this close articulation of flood control, navigation, power, land reclamation and what not a technical necessity...."

**International Livestock Show at Chicago** The Illinois Agricultural Association Record for November says: "An open rate of fare and one-third for the round trip will be in effect on railroads from Illinois points to Chicago during the International Live Stock Exposition, on Nov. 23 to Dec. 3. Manager B.H. Heide reports that 11,000 beef cattle, horses, swine, and sheep, and 5,000



choice samples of 22 different kinds and varieties of grains, seeds and hay will compete for international honors. Walter Biggar of Dalbeattie, Scotland, will judge the bullocks and select the grand-champion of the far cattle show. Lieut. Arnold Caddy of Australia will make the official awards in the Red Polled breeding classes. More than 40 national organizations will hold their meetings in Chicago during International week."

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Section 3  
MARKET QUOTATIONS

Farm Products Nov. 22: Top price on hogs at Chicago is \$9. Prices on other classes of livestock are as follows; Beef steers, choice \$17 to \$18.25; good \$15.25 to \$17.25; medium \$9.50 to \$13.50; common \$7.25 to \$9.50; heifers, good and choice \$9.50 to \$14.75; common and medium \$6.75 to \$10.75; cows, good and choice \$7.35 to \$10.50; common and medium \$5.50 to \$7.35; low cutter and cutter \$4.90 to \$5.50; vealers, medium to choice \$12 to \$14.50; heavy calves, medium to choice \$7 to \$10; stockers and feeders, common to choice \$7.50 to \$11.50; fat lambs, medium to choice \$13.25 to \$14.25; yearling wethers, medium to choice \$10 to \$12.25; fat ewes, common to choice \$4 to \$7; feeding lambs, medium to choice \$12.65 to \$14.25.

Maine sacked Green Mountain potatoes sold at \$2-\$2.25 per 100 pounds in eastern cities; mostly \$1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago. New York Danish Type cabbage \$10-\$16 bulk per ton in terminal markets; mostly \$7 f.o.b. Rochester. Florida pointed type \$1.50-\$2 per one and a half bushel hamper. New York and midwestern sacked yellow onions sold at \$1.35-\$1.75 per 100 pounds in consuming centers; \$1.35-\$1.45 f.o.b. New York Baldwin apples \$5.50-\$6 per barrel in New York City; eastern Yorks \$5.50. Michigan Jonathans \$3.50-\$10 in Chicago; Baldwins \$6.50-\$8.

Average price of Middling spot cotton in 10 designated markets declined 30 points, closing at 19.51¢ per lb. December future contracts on the New York Cotton Exchange declined 30 points, closing at 19.59¢, and on the New Orleans Cotton Exchange they declined 34 points, closing at 19.78¢.

Closing wholesale prices of 92 score butter: New York 51¢; Chicago 49½¢; Philadelphia 52¢; Boston 48¢.

Grain market showed a firm tone with wheat and rye making substantial gains while corn, oats and barley worked irregularly higher. December wheat closed at Chicago at \$1.29¾, at Minneapolis at \$1.26, and at Kansas City at \$1.24 7/8. December corn at Chicago closed about 87½¢; December oats at 49 5/8¢ and December rye at \$1.06 a bushel. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XXVII, No. 47

Section 1

November 25, 1927.

**GRANGE RESOLUTIONS** An Associated Press dispatch to-day from Cleveland, Ohio, states that the National Grange yesterday passed resolutions favoring the building of a great American merchant marine, the outlawing of wars, the ineligible alien clause in the Federal immigration law, and the registration of unnaturalized aliens throughout the country. The report says: "The Grange farm relief platform which the national farm organization intends to place before Congress, when it convenes next month, will be woven about the debenture feature approved at the 1926 convention in Portland, Oreg. Prof. Charles Stewart, agricultural economist of the University of Illinois, and author of the debenture plan for farm relief, has been in conference with the special committee appointed by the Grange...."

A Nov. 24 dispatch from Cleveland states that decrying the dwindling supply of country doctors who care for the health of 30,000,000 people in rural communities, Harry A. Caton, Master of the Ohio State Grange, Nov. 23 placed a resolution before the National Grange asking the American Medical Association to aid in reforming the present system of medical education. By a close vote the grange decided to hold its 1928 convention in Washington.

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**RADIO CONVENTION** The press to-day reports that a new wireless convention, the fruit of more than seven weeks of negotiation by delegates from seventy-nine nations and territories to the international radio conference at Washington, is ready for signature by the various governmental representatives. Satisfaction with the conference's accomplishments was expressed on all sides, the United States delegates pointing out that the two principal American objects had been achieved without abandonment of any other principle in exchange. With the allocation of wave lengths to the various international radio services and the acceptance by the conference of the principle of not forcing governmental interference in private radio operation.

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**COMMERCE CHAMBER ON TAX CUT** In the face of President Coolidge's declaration that he agreed with Secretary Mellon that the proposed tax cut should not exceed \$225,000,000, the United States Chamber of Commerce last night reiterated the proposal of its Federal Taxation Committee that the reduction should go to \$400,000,000. Lewis E. Pierson, president of the chamber, announced that 31 per cent of its membership had indorsed the program for a cut of \$200,000,000 applicable to collections in the year 1927-28 and \$400,000,000 applicable to the succeeding fiscal year. (Press, Nov. 25)

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**ANNUAL REPORT FILMED** A Chicago dispatch to the press of Nov. 24 declares that the annual report of the American Farm Bureau Federation will be delivered this year in the form of motion pictures, a method believed to be new to conventions.

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## Section 2

Capper on  
Taxes

Senator Capper is the author of an extended article on the national tax problem in The New York Times for Nov. 20. In this he says: "To benefit the ordinary citizen, including the farmer, State and local tax reduction will have to accompany the moderate tax reduction possible at the coming session of Congress. The taxpayers of this country paid \$8,500,000,000 in taxes last year. Taxes took one-tenth of the national income.... State and local taxes take twice as much money from the taxpayer as the Federal Government. And these taxes are increasing while Federal taxes are diminishing. There must be a further decrease in Federal taxes, but there should be a much bigger decrease in State and local taxes.... Tax reduction is not a problem for Washington alone, but for every State Capitol, every City Hall, every county court house, every school district and every voting booth where bond issues are voted. We need a redistribution of State and local tax burdens with the aid of such taxes as the income tax. I favor a national tax conference in Washington next December that will include Senators and Congressmen on the committees dealing with taxation, Governors and other representatives of the States, economists, and labor, industrial and farm leaders....

"The farmer, of course, is not the only one suffering from the grievous tax burden. But he is the heaviest sufferer, as a class.... The farmer can not pass on his tax to any one else. He can not conceal his taxable property, nor change it into tax-exempt securities---not at prices prevailing for the last seven years. Babson reports that agriculture pays out 85 per cent of its net profits in taxes, mining 60 per cent, transportation 36 per cent, construction 32 per cent, banking 31 per cent, and manufacturing 24 per cent.... Ogden L. Mills, Under Secretary of the Treasury, says that 'over 80 per cent of the local taxes rest on real property and disregard to a very great extent the ability of the different classes of taxpayers.' This condition is particularly disastrous in its effect on the farmers of the country. My own State of Kansas furnishes proof. Taxes, chiefly local, on all farm real estate increased 168 per cent during the period 1910-23. The selling value of the land so taxed increased only 39 per cent. Since 1923 the taxes have increased a little more, and there are practically no sales of land."

An editorial on this article in The Wall Street Journal for Nov. 23 says: "...It was quite to be expected that Senator Capper, in discussing taxation as a national problem, would find in it the occasion to take up cudgels for the farmer. But it is something new to hear a voice crying in the wheat wilderness that tax reduction 'is as important in the problem of farm relief as is the control of the surplus through governmental agencies, or as freight rates; perhaps more so.' And it is not of Federal taxes that this Kansan is speaking. He knows that direct national taxation touches the farmer hardly at all. ...But State and local governments have followed just the opposite course. Their debts have continued to reach new altitudes; their imposts have grown much more than enough to offset what the taxpayer saves in his returns to Washington.... Senator Capper's hope is that a national conference of office holders, industrialists and economists will point the way out. That remains to be seen. Meanwhile, it is something gained that a farm-bloc leader can tell his constituents thus frankly what is hurting them...."





**Compulsory  
Cooperation**

An editorial in Better Fruit for November says: "It is not surprising, in view of things that are happening, especially in the Prune and Apricot Growers' Association, that the question of compulsory cooperation is being discussed in California. The subject was discussed at length in an article in a recent number of the California Produce News. This article, by Austin Holcomb, introduced the subject in this striking paragraph: 'Is compulsory cooperation the next step? Older heads in the fruit and vegetable industry shake their heads with a decided "No." The Federal analysts who have before them in Washington the records of several hundred cooperatives, covering a period of 10 years, say, "Perhaps." Progressive thinkers and leaders, such as Congressman Clarence F. Lea of California, admit "it may be necessary." ...It is pointed out that compulsory cooperation is not a new thing. The fact that Canadian growers, particularly in British Columbia, have been operating under such a plan for a year is cited. He might have stated that it has been in vogue for several years in Australia. In a discussion of the cooperative movement had with the subject of compulsory cooperation to force improved marketing practices may come up for considerable discussion--creep into newspaper headlines--as the California writer intimates. However, Better Fruit believes the plan is neither feasible nor necessary in this country. ..."

**Farm Size**

An editorial in Modern Farming for November 15 says; "...The real measure of profit in farming is the net return from the farm as a whole, or the labor income of the operator. It might be that one farmer clears five hundred dollars an acre from a highly specialized cropping plan, and across the fence from him a neighbor gets only ten dollars an acre net. But if the highly specialized program will permit one man to operate only three or four acres, and his neighbor can, under his extensive system operate a thousand or more, the actual net profit per farm is strikingly in favor of the larger operator. Even more striking is the advantage of more extensive farming if the 'small farmer' is handling general field crops on too intensive a basis and by so doing limiting his acreage to an area too small for economic employment of labor and equipment. Statistics show that most profitable farms are medium-size to large; that the acre yields are good, but that the most important factor is the number of acres which one man can handle at a good profit. And we must always remember that the net returns for the year's work should be our gauge of success, and not the acre yield nor the unit profit."

**Livestock  
Marketing**

An editorial in The Farmer (St. Paul) for Nov. 19 says: "The entire complexion of business has changed since the World War....One of these changes is shown in a strongly growing tendency on the part of the meat packer to go into the country and purchase his supplies directly from farmers. This is particularly true of hogs. The movement has been so gradual that it has not as yet excited any particular comment or concern on the part of livestock producers, particularly in the Northwest. However, it has now grown to a point where the producer will do well to study the question and decide for himself where his own best interests lie as between such direct selling and selling indirectly to the packer on such central markets as that at South St. Paul....The Farmer is now engaged in making a study of the two systems with a view to laying the facts before its readers in



later issues. That direct buying by packers is becoming a matter of great importance to northwestern producers is shown by the simple statement that approximately 35 per cent of the hogs marketed in Minnesota last year were purchased directly from farmers by packer buyers...."

New England Agriculture      Glenn C. Sevey writing in New England Homestead for November 19 says: "...The demand is for a positive constructive program....Most fortunately that is exactly the sort of program now being developed by the New England Conference, in third annual session Thursday and Friday this week at Springfield, Mass....For years back, New England agriculture has been greatly handicapped through absence of uniform grading and standardization of quality products. Apples, eggs and other products were shipped thousands of miles to crowd into the background those grown in New England. Through council auspices this serious problem was tackled and we now have an honest-to-goodness New England marketing program. Within the past year five of our New England States have adopted uniform grading laws. Real progress is being made in persuading producers to utilize these dependable standards and consumers to call for and use the home-grown products. The council, too, is bringing very helpful influences to bear on New England dairy problems. Work in behalf of the poultry industry is getting under way. Other activities wherein the conference has made progress are community development, industrial expansion, research, forestry, recreation, aviation, etc. Especially significant is the developing New England consciousness. Numerous rural and urban surveys are discovering New England to herself--her resources, her needs. State lines are disappearing in problems of mutual concern. We are learning to think in terms of New England-wide interest. Indeed, we see as never before the interdependence of farm and factory, of farmers and industrial workers. Being convinced of our superior advantages, we are voicing them to the world with united acclaim...."

Portland Chamber of Commerce      An editorial in The Oregon Farmer for November 10 says: "Time was when the words 'chamber of commerce' were synonymous in the minds of many with those things aligned against the farmer and his welfare. The old-fashioned chamber of commerce was looked upon as an organization of commercial interests--selfish, wholly city-minded, often predatory....It is doubtful if there is in all America to-day a large chamber of commerce in which there is not at least one man or a group of men working conscientiously and earnestly to develop an appreciation of agriculture and inspire the lending of a hand where assistance is needed. As a partial result, there has not been a time since this became a great industrial nation when a greater sympathy for and a better understanding of agriculture were prevalent than exist to-day. ...."

Rural Electric Service Demonstration      The Wisconsin Agriculturist for November 12 says: "Prof.F.W. Duffee of the Wisconsin College of Agriculture says that electricity can be of real service and a great help to many farmers in Wisconsin, particularly to dairy farmers, if they are correctly informed on costs and proper usages of electrical energy. He says that next year the college of agriculture will send out demonstration trucks, carrying the latest, best and most practical electrical equipment ready for operation. This, he holds, will afford farmers and their wives an opportunity to see for themselves just what electricity can do for them, just what it will cost for the various operations and how to arrange, install and handle electrical equipment to secure best results...."





# DAILY DIGEST

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Vol. XXVII, No. 42

Section 1

November 26, 1927.

## THE PRESIDENT DISAPPROVES CHAMBER TAX PLAN

President Coolidge is greatly displeased with the attitude of the United States Chamber of Commerce on taxation and feels that the demand of that organization for a tax reduction as great as \$400,000,000 is "absurd," according to the press to-day.

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## RADIO CONVENTION

A new wireless convention which will regulate international radio for five years beginning January 1, 1929, was approved at Washington yesterday. It was drafted by the International Radio Conference, which adjourned after signatories of delegates from 79 nations and territories had been attached to the document. In his address at the closing of the conference, Secretary Hoover said the chief problem facing radio, namely, the efficient utilization of the limited number of channels, had been solved by the convention, which was unanimously approved by the conference. The next conference will be held in Madrid in 1932.

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## PAISH FORECASTS

COMMERCE COLLAPSE An Associated Press dispatch to-day from Oxford, Eng., reports that in a speech yesterday Sir George Paish, editor of the London Statist, declared that unless tariffs are reduced, the world's machinery of trade and credit will come to a standstill as it did at the beginning of the World War. "The whole world is drifting into bankruptcy," he said. "I have discussed the matter with the leading experts of America, Britain and Germany, but they see no way of preventing a breakdown." Predicting the collapse of trade and credit by the spring of 1928 unless something is done to prevent it, Sir George said that Europe needs to sell 300,000,000 pounds worth of goods more than it did before the war in order to buy the same quantity of produce, but that the moment it tries to sell, up go tariffs. Sir George advocated an international conference, not of experts but of statesmen, who have power to act and change the present policy of tariffs and trade hindrances.

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## CANADIAN-CUBAN TARIFFS

An Ottawa dispatch to the press to-day reports that James A. Robb, Minister of Finance, announced yesterday that negotiations had been completed with Cuba whereby Canadian imports would be admitted under the general rate for a period of one year unless a permanent trade connection is concluded earlier. Canada, in exchange, grants to Cuba the benefit of the intermediate tariff on products originating in and coming from Cuba. The new arrangement went into force yesterday in both countries.

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## Section 2

Agriculture  
a National  
Problem

Bernard M. Baruch writes in Commerce and Finance for November 23 on "Political Aspects of Agricultural Demands." Beginning with the World War nearly every cause--both political and economic--has operated against agriculture, he declares. Every one of these changes increased the farmers' cost of production. On the other hand, the farmer had to sell all that he produced at a world price, and world markets, demoralized by the war, did not reflect the buoyant price recovery and unusual advance experienced in protected and prosperous American markets. This situation is constantly referred to as an "agricultural problem." This is a misnomer, Mr. Baruch says. It is a national problem. The withdrawal and continued exclusion from our markets of the marginal buying power which comes from profits of the great rural segment of our population is an economic catastrophe. As the author sees it, our economic pattern is such a delicate web of interdependencies that, although the fault in a single thread appears very obvious, any attempt to correct it may seriously impair the whole fabric with baleful results far beyond the vision of the wisest man. Whatever is done, either in the field of politics or economics, must be done with the utmost care to see that in helping agriculture other industry is not injured to the eventual ruin of both.

American  
Education

Criticisms of the American educational system which lay the blame for lack of scholarly effort in this country on the universities and colleges were criticized yesterday by Dr. Alexander Souter, Professor of Humanity and Dean of the College of Arts at Aberdeen University, Scotland, who is lecturing at Princeton for a week. The educator attributes any lack of scholarly effort in this country to the fact that America has been laying the groundwork for her civilization and is just now beginning to have time for advanced work necessary to compete in the world of scholarship. "In many subjects, however," added Professor Souter, "American scholars and scientists are quite as finished and quite as far advanced as European students. Doctor Souter commented on the poverty of British universities, pointing out that the main difference between American and British universities is that the former have money, while the latter do not. (N.Y. Times, Nov. 26.)

British Agri-  
culture

The Scottish Farmer for November 5 reviews the 16-page brochure "Agriculture and the Nation," by Right Hon. E.G. Pretymman, saying in part: "Mr. Pretymman endeavors to show cause why urban residents and electors should take seriously to heart the plight of arable farming in Great Britain. The pamphlet is written from the viewpoint of the Land Union and of an Essex landowner, and, subject to limitations thus inevitably imposed, it is a reliable indictment of present-day neglect of the premier interest if not of the premier industry. Captain Pretymman cherishes a hope that the motor car craze may be the means of awakening urban tourists to a sense of the importance of agriculture. We cherish no such hope; we are quite satisfied that, say, 75 per cent or thereby of the people who career over the highways at from 30 to 40 miles an hour rarely see anything.... In the first chapter the writer endeavors to diagnose the trouble. He takes it for granted that farmers to-day are not making a living. He is clear as to their helplessness in the political sphere; he states with accuracy (we think) the fallacy underlying the Danish analogy; he denounces the inequity of the Insurance Acts in their incidence on agriculture, shows how



rail charges are equivalent to a bounty on imported produce, and focuses the immorality of the rail on the Road Fund, e.g., in the application of 2½ millions out of it to the construction of the Mersey tunnel between Birkenhead and Liverpool. All this Captain Pretymen calls 'the automatic reaction of our national politics on the agricultural minority.' In Chapter II the author draws a comparison or rather describes a contrast between the current depression and the depression of 1879-1900. Then it was a case of fall in prices, which was met eventually by a reduction in the costs of production; now it is a case of an increase in the costs of production out of all proportion to the enhancement of prices in some departments...."

**Butter Scores** An editorial in The Dairy Record for November 9 says: "During the course of a discussion at one of the recent creamery conventions, the question was raised as to why it is that about the highest score which is ever placed upon contest butter to-day is 96, while in the 'good old days' 97 and 98 were common marks. Naturally, operators are interested in knowing whether the quality of butter is not as good as it used to be, or whether the judges are inclined to be more strict. The consensus of opinion was that the latter is the case....It doesn't matter much whether the score is a 96 or a 98, as far as the market value of the goods is concerned, for as a matter of fact neither score has any definite relation to the market but is merely the judgment of the group of judges as to the merits of a particular entry. The only point of particular importance is that the best piece of butter be selected for first honors. As a matter of fact, our entire judging system is rather archaic, since we utilize only about ten points of the possible 100 in scoring butter."

**Finances in Illinois** The Illinois Agricultural Association Record for November says: "An analysis of 700 replies received on a questionnaire sent out to its members by the Illinois Bankers Association reveals that 35 per cent of their farmer customers are losing money, 43 per cent are breaking even, and only 22 per cent are making money. The bankers said that 53 per cent, or more than half, of the farms in their communities are operated by tenants. Fewer than four out of 10 children born on the farm are remaining to carry on the work of their parents. Farmers were criticized by bankers for owning high-priced autos, trucks, tractors, especially when purchased on deferred payment plans."

**Financial Panics** The Magazine of Wall Street for November 19 believes that most people seem to think that the days of universal business hazards are over. To ascertain their opinion, The Magazine of Wall Street addressed three questions to representative leaders of business in five great groups--viz., bankers, business men and industrialists, contractors and builders, financial editors of the daily press, and merchants. The questions were: 1. Do you consider that a financial crisis of the first order--comparable to that of 1893 or 1907--is no longer possible? 2. What are your reasons for your answer to Question 1, with special reference to the Federal Reserve System? 3. What changes would you recommend in the banking, currency and credit structure of the Nation to increase insurance against financial panics or stringencies? The bankers evinced more articulate interest in the questions than the other groups. Seventeen out of 32 bankers asserted a belief that great panics have become impossible. Ten more judged that they were improbable. Only five





considered that future panics were not improbable.

Industry in the South Preston Field, writing on the new industrial era in the South in The Magazine of Wall Street for November 19, says: "...Beginning with the initial venture of five New England capitalists more than thirty years ago, the textile industry has grown in the South until to-day it possesses one-half of the spindles of the country; takes more than 60% of the total domestic cotton used by American mills and produces over 54% of the total value of cotton goods of the country. And still the migration is in progress as the increase in new mills and new companies entering the southern field during the past year attests....Industrial development is but a part of the picture of the South's progress. The doctrine of diversity has changed the whole aspect of its agricultural production...."

Nebraska Conditions C.B. Stewart, secretary of the Nebraska Farm Bureau Federation, told the Interstate Commerce Commission at Chicago, Nov. 22, that the condition of the farmer has been growing steadily worse since 1910. The commission is conducting a hearing on rates on eastern and western trunk lines for poultry, butter and eggs. Mr. Stewart said the total indebtedness of Nebraska farmers in December, 1926, was \$655,192,665, as against \$138,885,128 in January, 1910. The last three years have seen \$33,000,000 worth of farm mortgage foreclosures, he said, and the farm mortgage indebtedness was increased in these years 30.2 per cent. (Chic. Jour. of Com., Nov. 23.)

Soil Surveys in Wisconsin- An editorial in The Wisconsin Farmer for November 10 says: "Things are proceeding fairly well in the opening of what might be termed Wisconsin's first thorough soil and economic survey, with the State Department of Agriculture, the Conservation Commission and the soil department at the university working together upon it....Some of the facts about the Michigan land economic survey were published in these columns a few years ago, and we stated at that time that Wisconsin stood in need of just such information. Time will bring changes that will make it imperative for us to know the exact truth about the upper country, if we do not already need to know it. Hence this project, that combines a knowledge of soil resources and deficiencies with facts as to taxes and interest rates, market outlets present and future, and the forest areas and their value will surely provide us with a working basis for settlement or other utilization."

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### Section 3

Department of  
Agriculture

An editorial in Pennsylvania Farmer for November 19 says: "The editor of a country paper, who is also the postmaster in his town, wants to know whether or not farmers generally fill out the crop report blanks distributed by the rural carriers. His observation is that the majority do not. He finds that farmers believe that such reports tend to hurt the markets by making public the crop conditions and prospects. While Pennsylvania Farmer has always objected to the Department's practice of estimating the probable yields at the beginning of the season, we do think it is in the interest of all to know something about the Nation's acreage, the general condition through the growing season, the influences which are favorable and unfavorable, and finally at the end of the season an intelligent estimate of the total yield. We believe farmers would be serving their own interests if they would all fill out the blanks, leaving out of consideration only the



call for a guess upon yields until actual figures are available. The truth of the matter is, the Government figures tend to check false information spread for selfish reasons by other people. Crops can not be hid. Anyone passing through the country and observing conditions may make 'guesses,' and they do it...By all means, fill out the crop report blanks and thus help to check the spread of false and selfish estimates."

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Section 4

## MARKET QUOTATIONS

Farm Products Nov. 25: Top price on hogs at Chicago is \$9.45 or 5¢ less than a week ago. Beef steers were mostly 25¢ to 50¢ lower than last Friday, heifers steady to 75¢ lower and cows uneven. Vealers ruled higher, stockers and feeders and fat lambs uneven. Heavy calves, sheep and feeding lambs remained steady. Wholesale prices on fresh western dressed meats at New York were steady on good grade steer beef, veal and heavy pork loins, \$1 to \$2 higher on lamb and \$1 lower on mutton and light pork loins.

Closing wholesale prices of 92 score butter: New York 51 $\frac{1}{2}$ ¢; Chicago 49 $\frac{1}{2}$ ¢; Philadelphia 52 $\frac{1}{2}$ ¢; Boston 48¢.

Potato markets steady. Maine sacked Green Mountains ranged \$2-\$2.35 per 100 pounds in eastern cities; \$1.55-\$1.60 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago; \$1.30 f.o.b. Waupaca. New York Rhode Island Greening apples sold mostly at \$8 per barrel in New York City. Cabbage dull. New York Danish type \$10-\$16 bulk per ton in terminal markets; mostly \$7 f.o.b. Rochester. Onions irregular. New York and midwestern yellow varieties \$1.30-\$2 sacked per 100 pounds in consuming centers; \$1.35-\$1.45 f.o.b.

Average price of Middling spot cotton in 10 designated markets declined 3 points, closing at 19.38¢ per lb. December future contracts on the New York Cotton Exchange declined 3 points, closing at 19.46¢, and on the New Orleans Cotton Exchange they were down 13 points, closing at 19.51¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

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Vol. XXVII, No. 49

Section 1

November 28, 1927.

**CAPPER ON CORN AND MEAT TARIFFS** The press to-day reports that appealing for the protection of the farmers against foreign competition, Senator Capper of Kansas, in a letter to Thomas O. Marvin, chairman of the Tariff Commission, made public yesterday, expresses satisfaction that the commission is investigating the cost of producing corn here and abroad, and urges a recommendation to President Coolidge to increase the tariff 50 per cent under the flexible tariff clause. The present duty is 15 cents a bushel, and such an increase would make it 22½ cents a bushel. The Senator also urged a speeding up of the commission's investigation into the importation of meats.

**EDGERTON ON TARIFF REVISION** The press to-day reports: "Proposals to revise the tariff were sharply criticized as endangering business stability in a statement yesterday by John E. Edgerton on behalf of the National Association of Manufacturers, of which he is President. He took particular exception to the report of the Business Men's Commission, appointed by the National Industrial Conference Board and the United States Chamber of Commerce to study the agricultural situation. Conceding that the commission had been conscientious and sincere in the recommendations for readjustment, he went on to say that, 'I understand the commission to have in mind a need for the re-adjustment of particular parts of the tariff. I keenly regret that in this connection that distinguished body did not make itself clear and find occasion to emphasize the most important of all questions which relate to tariff revision, namely, the method by which it shall hereafter be accomplished.'....."

**BULLARD'S RADIO REPORT** A report made by the late Rear Admiral Bullard, chairman of the Federal Radio Commission, a few days before his death on the first three months' work of the commission was made public yesterday by the Department of Commerce. Four steps, according to Admiral Bullard, were taken to execute the new law. These were: "First, the determination of the best scientific opinion through a series of public hearings; second, the internal organization of the commission, handicapped as it was by lack of funds, to handle the enormous amount of documentary material which was required; third, the protection of the broadcasters against liability for unlicensed broadcasting until a suitable basis for the new license could be worked out, and, fourth, a complete new allocation of frequencies, power and hours of operation for all of the existing 732 broadcasting stations to provide adequate local separation and a basis for the gradual elimination of distant interference." (Press, Nov. 28.)

**FOREIGN SUGAR AGREEMENT** A Berlin dispatch to-day says: "The German Sugar Association declares that the pending international agreement will in no case necessitate reduction of Germany's beet sugar trade, but that Cuba will limit production to 4,000,000 tons, while European producers ration exports...."





## Section 2

**Airplane Development** Lieut. Com. Bruce G. Leighton is the author of an article in Atlantic Monthly for November on "The Limitations of Airplanes,"

The author believes that the trend of development of the airplane in recent years has been downward in size rather than upward. There is no reason to believe that the airplane of the future will be of great size, he says. The trend in airplane development is toward greater reliability, dependability, safety; toward more general application to useful, commonplace service, and marked increase in cost of production, operation and maintenance. There will be slow and steady improvement in possible range, in maximum speed, in possible time of sustained flight, the author says, but we need to look forward to no very startling gain in any of these respects. Because of the great proportion of the total carrying capacity required for fuel in long flights, the airplane, as applied to practical carrying purposes is to-day and must inevitably remain, essentially a short range vehicle. Its forte is high speed and unprecedented freedom of movement; its weakness, relatively limited range of independent action.

**Alberta Land Sale** An editorial in The Nor'-West Farmer (Winnipeg) for November 21 says: "What is said to be the largest deal in the history of Alberta ranching was <sup>made</sup> a short time ago when the P. Burns Company, Calgary, purchased the Bar U Ranch and Willow Creek ranch complete with all stock and equipment from the George Lane Company. More than \$750,000 was involved in the deal. Known world-wide, the Bar U has long been the center of the romantic ranch life of the West, and its fame for Percheron horses of quality, particularly as applying to earlier days when the late George Lane was in his prime, is no less widely known. It has now passed into the hands of the West's 'Cattle King,' P. Burns, who is one of the few surviving old timers who has followed the cattle business through good times and bad. The investment of such an enormous sum in ranching property by a business organization such as the P. Burns Company indicates the unlimited faith Mr. Burns has in the future of ranching and cattle raising in Alberta in particular and the West in general."

**British Sugar Conditions** The Planter and Sugar Manufacturer for November 12 states that The (British) Ministry of Agriculture has issued additional information regarding the new sugar beet factories to be erected next year in England. The first of these factories will be at Brigg, Lincolnshire, and will be erected by Sugar Industries Auxiliaries, Ltd. It is understood that the cost will be about 450,000 pounds. The Anglo-Dutch group will erect a factory at Chichester at a cost of 450,000 pounds; the Bedfordshire Sugar Company will probably erect one at Blunham, Bedfordshire, and the Western Sugar Company propose to build another at Bridgwater, Somerset. The King's Lynn Beet Sugar Factory, Ltd., also hope to build a factory at King's Lynn, Norfolk, for next season. ...Other new projects for sugar factories are also very much in evidence.

**Economic Cycles** Albert Aftalian is the author of an article on "The Theory of Economic Cycles Based on the Capitalistic Technique of Production," in The Review of Economic Statistics for October. Cyclical variations with their present characteristics do not seem to the author to be inevitable. The alternating errors in business forecasts are not an



inescapable necessity. Among the non-cyclical factors which may modify the course of cycles there must be included all that intelligent action may do to prevent cycles or to attenuate their evils, such as: The more extensive dissemination in the business world of knowledge of cyclical variations of business; public administrative policy directed toward the better distribution of orders in successive years; credit policy of central banks, results being secured less perhaps as the mechanical effect of changes in the discount rate than as the psychological influence of the warnings to those directing production.

#### Edison and Rubber

Thomas A. Edison's rubber experiments form the subject of an article by Frank P. Stockbridge in Popular Science Monthly for December. This says: "....As he did when seeking a fiber to make a filament in the incandescent electric light, Mr. Edison has sent and is still sending out expeditions to find every plant which yields anything like a rubber gum, and bring to the laboratory a sufficient quantity for experiment. Only last September he sent a man to South America. One 'caravan' left a few weeks earlier for a year's tour of our desert regions; others are scouring Europe, Asia, and Africa. Hundreds of specimens have been received, and experts under Mr. Edison's direction are testing them for rubber content and trying to devise ways for its economical extraction....More than 250 different species of plants, many that can be sowed and reaped in the same year, have already been listed in the Edison laboratories as containing measurable amounts of rubber. Some already hold out promise of becoming, through breeding and selection, the thing for which Edison, Ford, and Firestone are looking. The most promising are of the milkweed family. So the big job Edison at eighty has tackled is already well under way. There is still an immense amount of work to be done, for the efficient and economical method of extracting the rubber on a large scale, by machinery, is yet to be devised. And Edison, working twelve to fourteen hours a day at the job, promises to keep at it 'at least until I have found all there is to know about rubber.'"

#### Farm Labor

Discussing the work of the United States Employment Service, Secretary of Labor Davis stated that the expansion and development of the farm labor work of the service during the calendar year 1926 produced gratifying results. This division is charged with the responsibility of recruiting and distributing men for the seasonal harvesting of practically all crops from Texas to the State of Washington. Seventy temporary field offices were maintained for an average period of 43 days. The average period during which temporary offices were maintained in the wheat belt was 33 days; in the Cotton Belt, 51 days; and in Washington and Oregon, 73 days. These offices were located from the Rio Grande northward to the Canadian line and westward to the Pacific. In addition to the maintenance of the temporary offices, preliminary surveys of labor requirements were made at approximately 70 other points, requiring from one to six days at each place. The farm labor division has a staff of 14 permanent employees and during the intensive seasonal periods 43 temporary special agents were engaged in recruiting, directing, and distributing labor. The average employment of the temporary field workers was 86 days. The organization in the wheat belt is so thoroughly in hand that, barring interference of the elements, it operates like a well-regulated machine. It brings into the wheat belt more than 100,000 harvest hands. (Labor Dept. statement, Nov. 28.)





**Financial  
Review**

The Review of Economic Statistics for October says: "The outstanding developments of the third quarter of the year were a sustained advance of general commodity prices in the United States and Great Britain, a sharp decline of short-time money rates in the United States--during the season when rates usually advance--and a rise of sterling exchange above par in September, a month when it usually declines. These developments are favorable to the continuance of active business in the United States and the further recovery of industry abroad."

**Master Farmers** An editorial in Chicago Journal of Commerce for Nov. 25 says:

"Leaders in industry, commerce, finance, education, religion and government in the Northwest met one night this week at a dinner in Minneapolis--one of the most important ever held in the ancient kingdom of Jim Hill. The guests of honor were sixteen men whom a year of investigation by experts has found to be the best farmers in the four States, Minnesota, North and South Dakotas, and Wisconsin. The survey which chose these men, and the dinner which honored them, were the work of The Farmer--an agricultural publication--in cooperation with the agricultural schools. The sixteen were chosen not only for their material success as farmers but also for their records as husbands, fathers, community builders, and exponents of modern, scientific principles in farm operation. These sixteen farmers have gone back to their home communities, to be received as notable personages, to spread the gospel of scientific farming and community building. Seven or eight other farm publications are doing the same thing. The Prairie Farmer will hold its dinner in Chicago soon. The spreading of such gospel as this could do more for agriculture than all the relief and all the legislation that have been devised."

**Penney on  
Southern  
Dairying**

"I was quite amazed at the development that has been taking place in the South in the raising of cattle and in the production of dairy products," writes James C. Penney of New York City, owner of what is known as the famous herd of "Foremost Guernseys," to Manufacturers Record for Nov. 24. "The Guernsey is gaining in popularity in the South, as well as elsewhere," he writes. "Quality and quantity of milk, good disposition, economy of feeding and robustness of constitution are among the characteristics that recommend the breed to the farmer. Inquiries addressed to our herdsmen who accompanied the herd on the fair circuit revealed an active interest in purebred cattle. A surprising number of southern farmers apparently contemplate acquiring purebred stock. The grazing season in the South is several months longer than that of Wisconsin. More corn can be raised for feed per year. Natural phosphates fertilize and enrich the soil and increase the yield of staple crops. A good cow is an all-the-year-round investment. There is a ready market for purebred cattle at high prices."

**Synthetic  
Nitrogen  
Industry  
in Europe**

The American Fertilizer for November 12 says: "The steady expansion of the synthetic nitrogen industry in Europe continues. The principal English manufacturer announces that a new fertilizer, which has been tested experimentally during the past summer, will be placed on the market next spring. It will be made in two qualities, the nitrogen content of one being 10 per cent, and of the other 15.5 per cent. ...The fertilizer manufacturers are keenly interested in the larger supplies of nitrogen, with the lower prices which will necessarily follow. The cost of nitrogen has been one of the principal limiting



factors in the market for mixed fertilizers. With prices on a lower level there will be an enormous expansion of the demand, to the advantage of both the fertilizer manufacturers and the farmers."

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Section 3  
MARKET QUOTATIONS

**Farm Products** For the week ended Nov. 26: Potatoes fairly steady. Maine sacked Green Mountains ranged \$2-\$2.35 per 100 pounds in eastern cities. Northern Round Whites \$1.35-\$1.65 on the Chicago carlot market; mostly \$1.30 f.o.b. Onions nearly steady. New York and mid-western yellow varieties \$1.30-\$2 sacked per 100 pounds in consuming centers; \$1.35-\$1.45 f.o.b. Cabbage dull. New York Danish type sold at \$10-\$15 bulk per ton in terminal markets. Northern stock 85¢-\$1 sacked per 100 pounds in Chicago. Apples firm. New York Rhode Island Greenings \$8 per barrel in New York City; \$9-\$11 in Chicago. Michigan Jonathans \$8.50-\$10 in Chicago.

Top price on hogs at Chicago is \$9.40. Compared with a week ago good grade fed steers and yearlings were 50¢ to \$1 lower with yearlings off most at the close. Strictly choice heavy steers brought \$18.65, a new high top for the year. Stockers and feeders were firm, small she stock mostly steady, bulls strong, vealers 50¢ higher. Fat lambs closed strong to 15¢ higher, while sheep and feeding lambs were unchanged. Wholesale prices on fresh western dressed meats at New York were steady on steer beef, veal and heavy pork loins; \$1 to \$2 higher on lamb, and \$1 lower on mutton and light pork loins.

Butter markets were firm. Supplies of fresh butter light, and best grades scarce. Immediate future of market uncertain, as reports indicate irregularity of production trend. Storage movement continues fairly heavy but has not quite equaled that of last year in principal wholesale markets. Closing wholesale prices 92 score butter: New York 51 $\frac{1}{2}$ ¢; Chicago 49 $\frac{1}{4}$ ¢; Philadelphia 52 $\frac{1}{2}$ ¢; Boston 48¢.

Cheese markets were firm. Trading not real active, but this due partly to light supplies, also to unwillingness of dealers to offer cheese except at firm prices. Most interest in distributing markets is on held goods. Production has dropped past two weeks, but still heavier than a year ago. Wholesale prices at Wisconsin primary markets Nov. 25: Single Daisies 26¢; Young Americas 26 $\frac{1}{2}$ ¢; Longhorns 25 $\frac{3}{4}$ ¢; Square Prints 26¢.

Average price of Middling spot cotton in 10 designated markets declined 5 points for the week, closing at 19.22¢ per lb. December future contracts on the New York Cotton Exchange declined 1 point, closing at 19.32¢, and on the New Orleans Cotton Exchange they were down 9 points, closing at 19.38¢.

The grain markets were slightly weaker but price changes were unimportant and reflected principally the usual slow Saturday market. December wheat closed at Chicago at \$1.27 $\frac{1}{4}$  or about  $\frac{1}{2}$ ¢ below yesterday's close. Minneapolis December wheat closed at \$1.23 $\frac{1}{4}$ , Kansas City \$1.22 $\frac{1}{2}$ . December corn closed at Chicago at 86 $\frac{1}{2}$ ¢ and December oats at 49 $\frac{1}{4}$ ¢. December rye advanced slightly, closing at \$1.04 at Chicago. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XXVII, No. 50

Section 1

November 29, 1927.

**INTERNATIONAL LIVESTOCK SHOW AWARDS** The Associated Press reports from Chicago to-day: "E. Edison Smith, a 55-year-old farmer of Corvallis, Mont., whose secret of wheat growing is 'old-fashioned elbow-grease,' is the new wheat king of North America. Competing against the best wheat producers of the United States and Canada at the International Livestock Exposition yesterday, Smith wrested the prize title from the Canadian, Herman Trelle of the Peace River District of Alberta, Canada. It was only the third time in seventeen years of competition that Uncle Sam's rural sons have been able to take the huge cup, emblematic of the championship. Smith, who learned his farming on his father's farm in Knoxville, Iowa, has been a diversified farmer on about 400 acres near Corvallis, 100 miles west of Butte, for twenty-nine years. Besides winning the wheat-growing championship with a sample of hard red winter wheat, the Montana farmer, who is the oldest exhibitor of the show, also won the Durum wheat cup for the third consecutive year, thereby gaining permanent possession of the prize.

"California, Kansas, Iowa, Kentucky, Indiana and Illinois were the States registering the greatest number of victories in the cattle, sheep and swine exhibitions yesterday. Among the agricultural colleges the products of Iowa State College easily led the field.

"Although Canada's representation at the show did not approach in numbers those of the United States, its quality was good, especially in the fat sheep divisions. Humphrey Snell of Clinton, Ont., and H.M. Lee of Highgate, Ont., together won eight places out of ten in fat sheep judging. Although Canada lost the wheat-growing championship, its exhibitors landed twenty-one out of a possible thirty-five prizes in the hard red spring wheat classes. The remainder of the prizes were distributed among entrants from Montana and Wisconsin."

**FLOOD CONTROL FINANCING** Divergent views on financing future Mississippi flood protection works were given to the House Flood Control Committee yesterday when Governor Ben S. Paulen of Kansas advocated a requirement of State contributions in addition to Federal aid, and Senators Sackett and Barkley of Kentucky urged that the whole expense be borne by the Federal Government. (Press, Nov. 29.)

**CORPORATE TAX CUT** The reduced rate of  $11\frac{1}{2}$  per cent on corporations will be applicable to income received in 1927 and payable in 1928, under the terms of an amendment incorporated in the proposed revenue bill by the House committee on ways and means yesterday.

**AIR HUNTERS SLAY CATTLE** An Associated Press dispatch to-day from Kerrville, Tex., states that ranchers in that district threatened yesterday to use anti-aircraft guns if necessary to halt the slaying of cattle and sheep by stray bullets from the guns of hunters who are using airplanes in which to hunt deer.





## Section 2

**Agricultural Prosperity** "Flat Tires on the Farm" is the title of an article in The American Mercury for November by W.G.Clugston, who believes that no vocation in the United States to-day offers a more alluring call to the young man with individualistic inclinations than farming. "No business," he says, "can be begun with less cash, or on a shorter shoestring, and none brings a more profitable return in proportion to the brains, energy and industry put into it." He believes that the industry of agriculture seems at a low ebb because it is so easy for inefficient individuals to maintain themselves in it, and that agriculture is able to support them despite their inefficiency is sufficient proof that the American farmer practices one of the easiest and best rewarded of callings. The author's advice to the prospective farmer is: "He can be the one-crop gambler if he will, and play the 00 of wheat, corn, cotton, or tobacco to his heart's content. But if he would be safe he must know how to hedge. With six or eight hundred pullets, and half a dozen milch cows of purebred stock, he can, in any real farming section, make sure of a cash income of from \$50 to \$75 for every month in the year....That is enough to pay the living expenses of the average farm family."

**Agriculture and Industry in Ohio** An editorial in The Ohio Farmer for November 26 says: "City business interests and financial institutions recognize the importance of agriculture more than we often give them credit for. The great majority of these successful business men were farm lads once themselves. They still have the feel of the soil, and they still recognize their dependence on the products of the soil. Notably indeed is the contribution made by the Union Trust Company, of Cleveland, in its publication 'Trade Winds' for this month, which sets forth the relationship between industry and commerce and agriculture and the importance of Ohio as a great farming State. 'Industry has become keenly aware of the fact that the state of the farmer's pocketbook has a vital bearing upon the general level of manufacturing and trade,' says this bank's executive manager, George A. Coulton, in this article. 'Farmers hold in their calloused hands not merely hoes and plow handles, but the prosperity of many a business.....' The manager of this great banking institution then presents a forceful picture of Ohio agriculturally--a State third in value of improved property per square mile, tenth in value of farms, sixth in income per acre, sixth in wheat, corn and oats, fifth in dairy products, fourth in poultry, fifth in sheep and wool, fifth in hay, fourth in grapes, ninth in potatoes, first in vegetables grown under glass. The conclusion is then drawn by the business expert of the city: 'The problems of the farmer are to us, not distant, but immediate: That they become, through their results, our own problems; that a bad year on Ohio farms may well be reflected by poor business in Ohio cities, and that the prosperity of the Ohio farmer is our prosperity'...."

**Butter Production in Canada** An editorial in The Dairy Record for November 16 says: "So much attention has been focused upon New Zealand, Australia and the Argentine as future sources of large butter supplies that but little attention has been given to our neighbors on the north. Yet Canada's butter production is growing rapidly and it is a potential source of far more. The combined production of the prairie provinces, Saskatchewan, Alberta, and Manitoba, totaled a trifle less than 52,000,000 pounds last year which is only 29 per cent of the 178,156,375 pounds produced in the Dominion. Ontario still remains Canada's leading



butter producer, its 62,301,000 pounds representing 35 per cent of the total output. But the prairie farm provinces represent a potential source of huge butter supplies and their production is growing rapidly. ...None of the Canadian provinces may prove an important source of American butter, as the tariff will continue to be an effective barrier for many years to come. Their increased production is important, however, for it will have its effect upon international markets, and butter to-day is a world commodity."

**Chicago Food Sales** "Chicago's 9,312 wholesale houses had combined sales of nearly \$5,000,000,000 in 1926, proof of the city's preminence as a distributing center for the Nation, according to official United States Government figures, compiled through cooperation of the Chicago Association of Commerce, and announced Nov. 24. Wholesale food industries, numbering 1,571, reported total sales of \$1,728,051,000, or 32.8 per cent of the total, approximating a \$2,000,000,000 annual food market, according to the association's announcement...." (Chic. Jour. of Com., Nov. 25.)

**Economic Changes** "Industry at the Turning Point; Is Our Economic Situation Out of Balance?" is the title of an article by Magnus W. Alexander in The Century for October. The present era in American economic life is undoubtedly one of prosperity, of plenty of work for those who wish to work, and of good feeling all round, but those who have their fingers on the pulse of our industrial life feel that American industry is gradually entering a new and different period and development, the author contends. As an instance he cites the farm, which has been giving ground to the city, and the farmer has been turned into a factory, mill or store worker, as he desires a higher money return. He asks the question: "Is the lack of balance in the scale of well-being and monetary return of investment in the two giant industries, agriculture and manufacture, to be viewed in terms of temporary instability of agriculture and recurrent failure of crops, or does it mean a fundamental realignment that is going on in our basic economic life?" A slow but significant change has come upon our ways of earning and spending, the author finds, and our industrial life has begun to feel that the changing tide is moving with it. High standards of living, abundant and ingenious machine production, increased leisure, new tastes and habits have come and have brought with them a new atmosphere in which our industry must work. The author believes that the situation requires scientific study.

**Grain Production in Russia** Modern Miller for Nov. 26 says: "Russia, the great grain producer, has sunk to the point where it scarcely gets mention as a factor in world's supply. Russia has had ten years in which to recover from the war and its agricultural progress has not reached the point of properly feeding its home people. At least this is the viewpoint of the grain trade. There have been heavy imports of tractors, but apparently field work by the peasant has lagged to the point where the tractors have not been an offset...."

**"Industrializing" Agriculture** The Estate Magazine (London) for November quotes from an address by Christopher Turnor on British rural problems before the Church Congress. "We should aim," Mr. Turnor declared, "at industrializing the industrialist." If agriculture were industrialized, as it is in Continental countries, there would, he considers, be a far greater





range of employment for the rural worker. Anyone who studied country life in a Continental country with a highly-organized agriculture, its network of sugar factories, creameries, bacon factories, breweries, chicory factories and jam factories, all, as a rule, cooperating, was struck with its vitality and progress.

**Installment Selling**      Alan H. Temple calls attention in Commerce and Finance for Nov. 23 to a detailed study of installment selling by R.A. Seligman, professor of political economy at Columbia University. Professor Seligman undertook the work at the invitation of John J. Easkob, chairman of the finance committee of the General Motors Corporation, and spent fifteen months in the study, using twenty assistants and having full access to the records of the General Motors Corporation and many other companies. His findings are being published by Harper & Bros. in two volumes of 1,000 pages. In a nutshell, this is Professor Seligman's conclusion: "Installment credit is beginning to do for the consumer what the gradual development of the commercial banking system has done for the producer. If such credit is restricted to the proper commodities, under the proper management, it will gradually throw off its abuses and will stand forth as one of the most signal contributions of the twentieth century to the potential creation of national wealth and national welfare."

**Raw Wool Output in Europe**      During the year 1926, the output of raw wool in Europe, excluding Russia, totaled 250,000 metric tons, according to advices received by the Bankers Trust Company of New York from its French information service. Of this amount France produced 21,500 metric tons, a slight increase over the preceding year, when her output was 20,000 tons, but still below the pre-war annual output of from 38,000 to 39,000 metric tons. Including the wool produced by her colonies and protectorates the total output of France during 1926 was 63,800 metric tons, or slightly more than one fifth of her consumption which amounts to roughly 300,000 tons per annum.

**Southern Progress**      An editorial in Manufacturers Record for November 10 says: "In the proposed establishment of a \$20,000,000 steam-electric plant in Alabama by the Alabama Power Company, and the letting of initial contracts of construction and steel work for the \$7,000,000 plant of the American Glanzstoff Corporation, near Elizabethton, Tenn., for the manufacture of rayon--the company having in view an ultimate expenditure of \$50,000,000 and the employment of 20,000 people in that industry--in the statement published in this issue that the Saluda River hydro-electric development, now under way, will cost \$24,000,000, and with many other enterprises representing millions of dollars in individual cases and many millions in the aggregate as reported to-day, it is readily seen that there is a sweep of development work in the South of such stupendous importance as to demand and command Nation-wide attention...The story of this tremendous sweep of investment capital into the South, and the huge sums put by the South into its own industries, is like a mighty panorama, unfolding before the eyes of the Nation the greatest material advance ever shown by any section of the United States. And yet we are evidently only at the very beginning of this movement. No limit can be put upon the progress of the South during the next five or ten years. It is safe, however, to say that it will be so great that it will amaze the world."



## Wool Trade

The Commercial Bulletin (Boston) for Nov. 26 says: "The wool market has been fairly active in spite of the holiday, with prices very firm. Moreover, there is a healthy demand for wool and further sales are pending. Interest is keenest in the fine and half-blood domestic wools, but some medium wools are in demand at fully the highest prices previously paid. Manufacturers, whether because of recent good orders or because they are anticipating business, are showing genuine interest in the raw material, although the market is distinctly against them. London has maintained the prices set at the opening on Tuesday and the foreign primary markets are all very firm."

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Section 3  
MARKET QUOTATIONS

Farm Products      Nov. 28: Top price on hogs at Chicago \$9.55 or 30¢ higher than a week ago.

Maine sacked Green Mountain potatoes \$2-\$2.25 per 100 pounds in eastern markets; mostly around \$1.60 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago; mostly \$1.35 f.o.b. Waupaca. New York Danish type cabbage \$10-\$15 bulk per ton in terminal markets. New York and midwestern yellow onions \$1.25-\$1.75 sacked per 100 pounds in consuming centers; \$1.40-\$1.45 f.o.b. New York Baldwin apples \$6.25-\$7 per barrel in New York City. Michigan Jonathans \$8.50-\$10 in Chicago; Baldwins \$6-\$7.

Closing prices of 92 score butter: New York 51½¢; Chicago 49½¢; Philadelphia 52½¢; Boston 49¢.

Closing prices at Wisconsin primary cheese markets on Nov. 26: Single Daisies 26½¢; Longhorns 26½¢.

Average price of Middling spot cotton in 10 designated markets declined 38 points, closing at 18.84¢ per lb. December future contracts on the New York Cotton Exchange declined 42 points, closing at 18.90¢, and on the New Orleans Cotton Exchange they were down 34 points, closing at 19.04¢.

Unfavorable weather in the Corn Belt together with light receipts caused a very firm corn market and future prices at Chicago closed about 2½¢ above Saturday's close. December corn 88¾¢; December wheat at Chicago \$1.28; Minneapolis \$1.24¾; Kansas City \$1.23½. December oats at Chicago 49 5/8¢; December rye \$1.04 7/8. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 51

Section 1

November 30, 1927.

THE SECRETARY AT THE CHICAGO JOURNAL OF COMMERCE FOR NOV. 29 REPORTS: "The THE INTERNATIONAL International Live Stock Exposition is one of the truly great institutions of America, William M. Jardine, United States Secretary of Agriculture, said yesterday, after inspecting the extensive exhibits at the stock yards. Mr. Jardine was guest of honor at a luncheon at the Saddle and Sirloin Club where he complimented the management of the big exposition on the perfection of the arrangements and upon the record-breaking attendance of 37,000 last Sunday. 'This show,' Mr. Jardine said, 'speaks the language of the animal world in a manner that impresses the vital importance of the live-stock industry upon the public mind.' The Secretary also congratulated the winning teams in the intercollegiate competition in stock judging, in which Iowa State College led for the second time, and reviewed 1,200 boys and girls of the 4-H Clubs, representing forty-two States and Canada, prize winners in boys' and girls' agricultural club work."

The Journal further reports: "South Dakota carried off preliminary honors in the hay and grain show winning first for ten ears of yellow corn and ten ears of white corn in region 2....The prize-winning Shorthorn herd of Thompson's Farm at Fithian, Ill., headed by Maxwellton Referee, the grand champion of 1927 and Calrossie, a two-year-old bull calf imported from Britain. Calrossie was adjudged the best of the yearlings in Scotland for 1926. Maxwellton Referee has taken first honors wherever shown this year and is regarded as a likely candidate for the grand championship in the present show. The entire herd number twenty-two head of the finest shorthorns in America."

The Associated Press to-day reports: "A girl from Kansas and a boy from Iowa last night were crowned the health champions of the United States at the national congress of the Four-H Club boys and girls. They are Marie Antrim, 15-year-old sophomore, of Kingman, Kans., and J. Fred Christensen, aged 18, of Blanchard, Iowa...."

## FARM LEGISLATION MEETING

The press to-day reports that delegates from a dozen Northern, Central and Southern States at Washington yesterday issued a statement on farm legislation, which they said would be presented to Congress. The statement said in part: "The need for farm legislation is generally admitted and the position of these farm groups is definite. There has been no change in the position of the farm organizations represented in respect to the principles of legislation required. They want no Government price-fixing, or Government subsidy, direct or indirect. On the contrary they insist that such legislation, to be effective, must require each marketed unit of a commodity to pay its share of the costs of its own stabilization and protection."

## ARGENTINE ENVOY ADVOCATES MEAT CONGRESS

The press to-day reports that a united effort of meat interests in every meat producing and consuming country is being advocated by Dr. Honorio Pueyrredon, Argentine Ambassador to the United States, to counteract the marked tendency in this and other countries to substitute other foods for meat.





## Section 2

**Agricultural Research** Secretary Jardine supplies the material for an extended article on agricultural research by J. Sydney Cates in The Country Gentleman for December. In this Mr. Cates points out the limitations put upon the research work of the Department of Agriculture by lack of adequate funds and public indifference, and the huge dividends which every dollar spent in the Government's agricultural studies could be made to yield. He says in part: "It would seem unnecessary to argue that the prying eyes of research should be brought to the aid of any industry, least of all agriculture. Research has opened up new eras in medicine, in engineering, in transportation, in communication, in chemistry and, in fact, in every great division of modern life. Research in the abstract has sold itself on the basis of its dividends. And for every dollar we have spent on studying the problems of agriculture the return has been in fabulous dividends. The trouble is that we are spending in agriculture but little relative to what industry is spending, and still less compared to our insistent needs....The reason for this situation is not difficult to understand. Industry, organized as it is in large corporate units, is able to finance its own study....Agriculture, organized into more than six million separate units, can finance centralized study only through Government support. And while achieving high efficiency in agriculture is an end which not only strikes at the root of the farmer's problem, but an end which at the same time rewards every group of the Nation, bolstering up research in an effort to point the way for this efficiency has been, until comparatively recent days, a measure for common good which relatively few people have seen fit to stress. Until the full significance of a forehanded study of farm problems is brought forcibly before the country, the condition is not likely to be corrected. Unfortunately for agriculture, unlike industry, there is no small, vitally interested group to whom research men can look for financial support. Perhaps in the matter of pest prevention the failure to give adequate support to forehanded research has resulted in the most easily obvious national loss. Had we long ago secured financial support for the policy of studying foreign pests on foreign soil, the tremendous ravages which we have suffered from imported insects might to a large extent have been obviated." After reviewing the damage done by the corn borer, boll weevil, Japanese beetle, Mexican fruit fly and other plant pests, Mr. Cates says: "But the necessity for forehanded research is not confined to the problem of pest prevention and pest control....To hold foreign markets for our surplus products, we must meet competition from other lands. We can meet this competition only by the studied development of methods of production which will allow our growers, while still maintaining high American standards of living, to sell at a price which can not be met by less ingenious peoples.... And just as research must point the way to that efficiency and economy in production which will allow us to maintain a strong position in the world trade in agricultural commodities and thus keep our huge farm investment operating to capacity in the face of world competition, so is research even more critically needed in maintaining a greater semblance of balance between competing regions here in our own country..."

**Airplane Development** Lieut. Com. Bruce G. Leighton is the author of an article in Atlantic Monthly for November on "The Limitations of Airplanes." The writer believes that the trend of development of the airplane in recent



years has been downward in size rather than upward. There is no reason to believe that the airplane of the future will be of great size, he says. The trend in airplane development is toward greater reliability, dependability, safety; toward more general application to useful, commonplace service, and marked decrease in cost of production, operation and maintenance. There will be slow and steady improvement in possible range, in maximum speed, in possible time of sustained flight, the author says, but we need look forward to no very startling gain in any of these respects. Because of the great proportion of the total carrying capacity required for fuel in long flights, the airplane, as applied to practical carrying purposes, is to-day and must inevitably remain, essentially a short range vehicle. Its forte is high speed and unprecedented freedom of movement; its weakness, relatively limited range of independent action.

**Cooperative Market Plans** Chicago Journal of Commerce for Nov. 28 says: "The divorce of cooperative marketing from politics and governmental control is the aim of a meeting of twenty-two of the largest business associations in America called for next Wednesday at Chicago to form an organization, whose chief aim is the modification of laws discriminating against private business and private capital. W.F.Jensen is chairman of the committee on program and arrangements. The name Agricultural Trades Economic Conference has been applied to the gathering temporarily until a definite organization and name have been decided upon. Mr. Jensen declares capital of \$5,000,000 and industries employing 1,000,000 workers will be represented at the conference."

**Far Eastern Trade** An editorial in The Wall Street Journal for Nov. 29 says: "In 1926 the United States had an import and export business with the Far East of \$2,215,000,000, compared with \$462,000,000 in 1913. Thus, in 13 years our trade with the Orient increased 377 per cent. In no other part of the world has such a remarkable development of trade been seen. These figures are given on the authority of Dr. Julius Klein, director of the Bureau of Foreign and Domestic Commerce, in an address before the Chamber of Commerce of Seattle. He showed that our imports from the Far East in the past year amounted to \$1,443,000,000 and the exports \$772,000,000. Doctor Klein further showed that our far eastern imports furnished 30 per cent of all the goods that we purchased abroad. The Far East also took 14.6 per cent of the total of our export trade. ... By no means does this mean trade taken from other countries; it represents a healthy growth. An industrial revolution is developing in the Far East. Mills and factories are employing many thousands of people where in the earlier period none was at work at all....But Doctor Klein points out the fact that much of the trade area of the Orient is territory under the control of European nations. If that gives the goods of the ruling country an advantage, it at least has not prevented Australia from doubling its purchases from us in the past 13 years. Neither should it interfere with our trade with Japan and China, which now are, respectively, first and third largest oriental purchasers of the United States. These two countries also are nearer the United States than any others, a fact that should give the United States some advantage in dealing with them. Their remarkable expansion of both export and import trade, taken in connection with the fact that an industrial revolution is developing, promises much for our foreign trade in the next few years."







**Farm Distances** An editorial in *Farmstead, Stock and Home* for November 15 says: "We have heard a great deal about the extra miles that farm housewives are forced to travel in poorly arranged and improperly equipped kitchens and homes....The same ideas of step saving are being worked out with farm men in Ohio by the university extension department. Pedometers were supplied a group of farmers to be worn while doing their farm chores. This step-record proved some interesting facts. On one farm, the man caring for the livestock traveled 135 miles a month; on another, 49 miles. Each farm carried the same number and type of livestock. The step saving on the latter farm was made possible by the convenient location of buildings, good interior arrangements, the use of self feeders and drinking fountains, and the application of windmill and engine power where possible...."

**Milk Cooperation** *The Field* (London) for November 17 says: "...Round about Glasgow in Scotland the dairy farmers have recently formed a milk selling agency, with the object of taking the control of the milk supply out of the hands of the distributors. The plan is that all the producers supplying the Clydeside area are to band themselves together and agree to sell all their milk through the agency, which will treat with the urban distributors and the local butter and cheese factories. By this means it is hoped to take the controlling hand and check those manipulations between the distributive trade and the creameries that have reacted to the detriment of producers. As much milk as the distributors will buy at the full liquid milk price they shall have, but the surplus is to be sold independently to the creameries, and the prices realized will be pooled between the members. There appears to be a good prospect of success for the Scottish milk agency, which started operations on November 1. If it does succeed it will be a most useful example in organization to the milk producers of the South. It is worth noting that the cooperative marketing of wool on a large scale is steadily developing in England. Every year more farmers are joining up to market their clip in good condition at the leading sales, so as to secure the full market value for graded wool. This, too, is a sign of the growing realization that haphazard ways of business are at the root of part of the British farmer's troubles. There is no doubt that these cooperative enterprises have a beneficial effect generally apart from the better values secured by the members themselves. The existence in a district of a flourishing cooperative society, supplying feeding stuff and fertilizers at the lowest rates, makes the local merchants all the keener to secure the farmers' business even at smaller profits....."

**Rural Conditions in South Dakota** An editorial in *The Iowa Homestead* for November 24 says: "The South Dakota College of Agriculture recently completed an agricultural survey of two townships in a typical county in its own State....In these townships there are neither towns nor railroads. The nearest railroad and towns are six miles from either of them. In one there is a consolidated school which covers work in all of the grades and high school. One township has 72 farm homes including a total of 411 persons. The other has 78 farm homes with 401 people. The average density of population in the two is 11.3 persons per square mile. The average family consists of 5.4 persons. In both townships, 86.3 per cent of the farmers stated that their type of farming was raising grain and livestock. Only 7.2 per cent converted all of their grain crops into livestock products, while only 6.5 per cent did grain farming exclusively. Of the 150 farms in these townships, 109 ranged



between 160 and 440 acres in size with an average of approximately 300 acres. One of these townships had a tenancy rate of 59 per cent while the other had 55 per cent tenancy. About 60 per cent of the farmers in both townships belong to some cooperative association and it is estimated that 25 per cent of the farm produce is marketed cooperatively. The percentage of farms carrying mortgage indebtedness is 66.6 while the average mortgage indebtedness per acre on mortgaged farms is \$50.11, with an assessed value of the land approximating \$75 per acre. Taken altogether, farmers in these townships are fairly representative of South Dakota as a whole and more or less typical of the country as a whole....If economic conditions are the key to rural satisfaction, the people interviewed in this survey must be optimistic about the future of farming as a business, in view of the fact that over 87 per cent of them expressed their preference for rural life and rural homes in the face of this feeling of temporary existing inequalities."

### Section 3 MARKET QUOTATIONS

**Farm Products** Nov. 29: Top price on hogs at Chicago is \$9.25. Prices on other classes of livestock are as follows: Beef Steers choice \$17.50 to \$18.75; good \$13.50 to \$17.75; medium \$9.75 to \$13.75; common \$7.50 to \$9.75; heifers, good and choice \$9.50 to \$14.50; common and medium \$7 to \$10.25; cows, good and choice \$7.75 to \$10.50; common and medium \$5.75 to \$7.75; low cutter and cutter \$5 to \$5.75; vealers, medium to choice \$12.50 to \$15; heavy calves, medium to choice \$7 to \$10; stockers and feeders, common to choice \$7.75 to \$11.50; fat lambs medium to choice \$13.65 to \$14.50; yearling wethers, medium to choice \$10.25 to \$12.35; fat ewes, common to choice \$4 to \$7; feeding lambs, medium to choice \$12.65 to \$14.25.

Maine sacked Green Mountain potatoes \$2-\$2.15 per 100 pounds in eastern markets; mostly \$1.55 f.o.b. Presque Isle. Northern sacked Round Whites \$1.35-\$1.65 carlot sales in Chicago; \$1.25-\$1.35 f.o.b. New York Danish type cabbage \$9-\$15 bulk per ton in terminal markets; \$7 f.o.b. Rochester. Northern Danish type 85¢-\$1 sacked per 100 pounds in Chicago. New York and midwestern yellow onions \$1.25-\$2.15 sacked per 100 pounds in city markets; \$1.35-\$1.45 f.o.b. New York Baldwin apples \$6-\$7 per barrel in New York and Chicago and \$1.75-\$2 per bushel basket in a few eastern cities.

Closing prices of 92 score butter: New York 51½¢; Chicago 49¾¢; Philadelphia 52½¢; Boston 49¢.

Closing prices at Wisconsin primary cheese markets Nov. 28: Single Daisies 26¾¢; Longhorns 26½¢; Square Prints 26¾¢.

Average price of Middling spot cotton in 10 designated markets advanced 3 points, closing at 18.86¢ per lb. December future contracts on the New York Cotton Exchange advanced 7 points, closing at 18.97¢, and on the New Orleans Cotton Exchange they declined 2 points, closing at 19.02¢.

The grain market was slightly weaker and prices of most grains closed slightly lower in the future markets. Dec. wheat at Chicago \$1.27½; Minneapolis \$1.24; Kansas City \$1.22½. December corn at Chicago 88½¢; December oats 49¾¢; December rye \$1.04½. (Prepared by Bu. of Agr. Econ.)





# DAILY DIGEST

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Vol. XXVII, No. 52

Section 1

December 1, 1927.

## TAX REDUCTION

The press to-day reports that the controversy over the size of the proposed tax reduction was continued yesterday, with Secretary Mellon and Representative Tilson, floor leader of the House, backing up the administration's recommendations. Remarks by these officials came as a reply to the statement issued by the Chamber of Commerce of the United States Nov. 29, in which it defended its proposal of a tax cut of \$400,000,000, a reduction which President Coolidge and Secretary Mellon say would result in a budget deficit as early as 1929.

## AT THE INTERNATIONAL

Chicago Journal of Commerce for Nov. 30 reports that Secretary Jardine addressed the American Agricultural Editorial Association at Chicago, Nov. 29, in connection with the International Live Stock Show, stressing the farm relief problem with particular reference to Government aid to cooperative marketing.

The University of California Nov. 29 won honors at the International with the grand champion beef steer of the world, a cross-bred Shorthorn and Angus, 'California Stamp,' 13 months old, weighing 1,055 pounds. Jack Horner, entered by the University of Illinois Agricultural College, won the reserve championship. An Indiana farmer, C. E. Crover, owning seventy acres near the village of La Fontaine, was crowned corn king of the world Nov. 29. His entry of Reid's yellow dent corn was adjudged far in advance of his nearest competitor in a wide field of contestants. Championships were awarded in the Shorthorn cattle classes. In the judging for bulls calved before June 1, 1924, the first honors went to Thornham Minstrel, Duncan Campbell, Moffatt, Ont. The grand championship was conferred upon Loyal Browndale, Edellyn Farms, Wilson, Ill., this entry also being declared junior title winner. In the fat Rambouillet sheep division Iowa State College, Ames, was first, with the reserve going to the University of Illinois. The fat Cheviot championship was awarded to the University of Kentucky, showing lambs. The boys from the blue grass country also took the reserve laurels. Iowa State Agricultural College won the championship in the division for yearling fat Southdowns. The reserve rank was taken by an entry from the University of California. In the Shire class for stallions four years and over, Bushnell Bohemian, entered by Truman's Pioneer Stud Farm, Bushnell, Ill., was the winner. Boro Flag, nominated by F.A. Huddleston, Webster City, Ia., was second. Edgewood Hengist, Another Huddleston entry, ranked third.

## FLOOD LEGISLATION IN VERMONT

An Associated Press dispatch to-day from Montpelier, Vt., states that acting quickly under suspension of the rules, the Vermont Legislature, in special session yesterday, passed the bill recommended by Governor John E. Weeks authorizing an issue of \$8,500,000 in bonds for the restoration of highways and bridges destroyed by the recent flood. Under the terms of the bill, the State, directly or indirectly, has sole responsibility for restoring the highways and bridges. The measure also provides the means to raise funds for restoring certain State buildings. The State is authorized to rebuild highways and bridges which ordinarily come under the jurisdiction of municipalities.





## Section 2

Boyle on James E. Boyle, Professor of Rural Economy in Cornell University, writing under the title "Anarchy on the Farm," in World's Work al "Anarchy" for December, says: "Agriculture is below par, when compared with other occupations. This means that the farmer is Quitting his job, is going to town, and is earning more wages for his labor or more interest on his capital in town than he could do on the farm....Various causes, working through the years, have lowered and still do lower the farmer's income unnecessarily. A little observation reveals at least three of these causes. In the ten years ending in 1919, 40 million acres of pasture land was plowed up and put in crops; 5 million acres of forest was cleared for crops. Not one half of these 45 million acres of new crop land was needed. Therefore, in the next five years, 1920 to 1925, 31 million acres of farm land went out of use. This costly and tragic method of developing our agricultural plant is what we call anarchy of development. Farmers are told to imitate big business. But big business is big largely because of its carefully planned development....Production in agriculture is carried on with as much anarchy as is development. Production on an ideal basis should be orderly, that is, adjusted to consumer demand both as to quantity and quality of product....What has been done to meet this anarchy in production? A few counties have adopted programs of production. Eight or ten States have likewise formulated production programs each State for itself alone. But with what result? The answer is given only too plainly by North Carolina's experience with cotton. When the United States produced an eighteen million bale cotton crop, and cotton touched 10 cts. a pound on the North Carolina farms, the State college published a bulletin on 'A Business Farming Program for North Carolina,' containing these significant words: 'The present distress is not due to any appreciable extent to increased production of cotton in North Carolina. While there has been an increase in acreage coupled with an increased production per acre, yet the main factor in the large crops of both 1925 and 1926 is the fact that during the last five years Texas and Oklahoma have put into cotton more than ten million acres of land that was formerly devoted to grazing and other purposes....' All of which proves that neither county programs of production nor State programs of production are worth anything, so long as they are not coordinated with national programs of production....When we come to the third cause of the farmer's low income--the disorderly marketing of perishables--we must sharply discriminate between the marketing of perishables and the marketing of staples like wheat and cotton. Over and over again investigations have proved that grains and cotton, handled on the great organized exchanges of the world, have an orderly price regardless of the flow to market, regardless of the dumping at harvest and picking time....According to the above diagnosis agriculture is suffering from a three-fold anarchy: disorderly development, disorderly production, and disorderly marketing of perishables....Since agriculture is suffering from disorderly development, disorderly production, and disorderly marketing of perishables, the obvious remedy is a national policy of agriculture that will overcome this three-fold anarchy...The Federal Department of Agriculture has collected enough facts to revolutionize American agriculture; but this department is a fact-finding body, not an advice-giving agency, so that these facts remain large<sup>ly</sup> entombed in the archives at Washington....Some new machinery must be set up, which will quickly mobilize, when needed and when needed, all the technical knowledge and skill on these three national problems of agriculture....Sketched in broad outline, such new machinery would take



the following form. A Federal Farm Board, created by Congress, located at some central city as the agricultural capital of the United States (say Chicago) would have the power and the duty of formulating national policies of agricultural development, agricultural production, and the marketing of perishables.... A second piece of machinery to function with this farm board would be a farm congress, made up of practical farmers and county agents, meeting at least once a year in the agricultural capital...."

**Bread Prices** A Toledo, Ohio, dispatch to the press of Nov. 30 states that two in Ohio major baking corporations have started a bread price war in Toledo. One-cent reduction Nov. 28 by General Baking Company was met by Purity Bakeries Company, reducing the retail price of a pound loaf to 7 cents. Wholesale price on  $1\frac{1}{2}$  pound loaves will be  $10\frac{1}{2}$  cents retail price 12 cents. Independent bakeries say they will not cut prices because the new prices are lower than the cost of manufacturing.

**Cotton Util-ization** An editorial in Pacific Rural Press for November 19 says: "It is silly, when you pause to think of it, for us to buy jute from a foreign monopoly, import it into this country, and wrap it around a bale of cotton. Besides being cheaper, how much better a bale would look in white duck clothes. If there is any cotton which deserves the handsomer garments, it is the exceedingly white, high quality cotton which this State produces. We have had the vision to do this, so why not lead the parade?"

**Florida Citrus Industry** An editorial in The Florida Times-Union for November 25 says: "The Citrus Industry, of Tampa, expresses sincere regret that 'there seems to be a lessening of interest, or at least a slackening of activity, in the proposed clearing house plan' that in the past summer was worked out and taken up by various citrus fruit growers and shippers in Florida, the plan being actively and whole-heartedly commended by the Secretary of Agriculture, Hon. William M. Jardine, and his very capable co-worker, Mr. Tenney, both of whom sought only to assist the citrus industry of this State to stabilize its business so as to make it more successful and more satisfactory to all concerned. For a while there were indications that the plan above referred to would be adopted; the Citrus Industry, the publication of that name, continues to hope that 'the Fruitman's Club and the committee in charge of the clearing house plan, may resurrect the plan if it has been permitted to expire, or to administer reviving stimulant if it still lives,' saying that 'This matter is of too great importance to the Florida growers and shippers of citrus fruits to be permitted to go by the board or even to be long postponed.' Many individuals, who have at heart the best interests of the citrus industry of Florida, and of the State as a whole, hold a similar view, and, like the publication quoted, and the general public continue to hope that something will be done about it.... To many directly interested the clearing house plan appears to be the solution. Why is it not adopted, with whatever of modifications that good judgment deems necessary? Or, if the plan is not what is wanted, then why not proposal of a better one?"

**Standardization** The Estate Magazine (London) for November reviews an address by in Britain A.W. Street, of the Ministry of Agriculture, before North of England farmers on marketing. The review says: "Standardization is the goal to aim for; but it is not easy to see quite how the British farmer is his





peculiar position is to build up and maintain standards for his produce in the face of the competition of the whole world. Mr. Street believes that it can be done---Germany is an importing country and her farmers are tackling the problem of standardizing their produce to safeguard the home market for themselves. The standardization of eggs is making definite progress in this country and so is the standardization of Cheshire and Cheddar cheese. When she buys a standardized product, like the bacon of Denmark or the butter of New Zealand, the housewife knows that this week's supply will be just as good as last week's, whereas in the case of home produce she does not know quite what she is buying. Mr. Street declares that the standardization of home produce is essential to secure for the British farmer a proper share of the home market."

#### Synthetic Rubber

In an editorial on Germany's production of synthetic rubber, The New York Times for Nov. 20 says:"...No chemist would assert that a substance the exact chemical counterpart of caoutchouc has ever been produced. Indeed, thus to mimic nature would be futile. Just as rayon has only the desirable qualities of silk, so a synthetic rubber must have only the desirable properties of caoutchouc. What the organic chemist seeks is not 'rubber,' but 'rubbers,' each of which will serve its special purpose and some of which may prove to be even more useful than the rubber of nature. Commercial success in synthesizing these rubbers is dependent on a cheap source of one of three possible raw materials which bear the formidable names butadiene, isoprene and methyl isoprene....Germany's interest on synthetic rubber is largely due to an intense national desire for independence, so far as raw materials are concerned. With no tropical plantations of her own, with new uses for rubber being found every day, Germany has sought to repeat her dramatic success in synthesizing nitrates, dyes and drugs. But the ruin of the natural indigo industry is not likely to be duplicated. There are still millions of acres that can be cultivated for rubber, and the production cost of 'crude' will long remain at less than 20 cents a pound. Moreover, if the plant breeder has improved sugar beets, wheat and fruits, why may he not increase the yield of an acre of rubber from 400 to 1,000 pounds? The Germans know all this. They will have achieved another chemical triumph if they can merely compete with natural rubber."

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#### Section 3

#### Department of Agriculture

An editorial in The Country Gentleman for December says: "In a day and age when industries succeed or fail according to the efforts and discoveries of their scientists, our ignorance of the basic things in agriculture is appalling. What do we really know about soils and fertility? Why do some soils, chemically correct, refuse to grow crops? What is the relation of electricity to plant growth? Or the effect of light of different wavelengths? Is there some subtle essence in the juices of certain plants that kills disease germs, making such plants resistant to disease? If so, what is it and how did it get there?...These are pertinent questions that might well be added to the list propounded by Secretary of Agriculture Jardine in his interview, Research Dividends, in this issue. They can be answered only by research--more generous and profound research than any agriculture has ever known. Such studies could do even more; they could find for us many of the things that our farming urgently needs. We need a new



variety of wheat with stiffer straw that will not shatter, to harvest with the combine. We need a new barley without barbed beards; a potato resistant to mosaic and blight; legumes for acid soils; new ways to control insect pests besides the use of poison sprays; more crops for the use of industries instead of for food; better grasses--pure hardy strains and not weak mixtures, as most of them are. We need a cotton plant that will ripen its bolls all at the same time for mechanical harvesting, and a cheap chemical to denude the cotton plant of its leaves before harvest....The small amount of genuine research work that has been done in agriculture has proved immensely valuable. But there has never been enough. And why? Principally because Congress has deflected the Department of Agriculture from the high scientific purpose for which it was created, and made it into a gigantic police organization. The whole Nation wants to do something worth while for agriculture. Secretary Jardine has pointed a way that is safe, sane and effective. Congress should heed the demand and be liberal in its appropriations for research."

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Section 4  
MARKET QUOTATIONS

Farm Products      Nov. 30: Maine sacked Green Mountain potatoes \$1.90-\$2.15 per 100 pounds in eastern cities; \$1.50-\$1.55 f.o.b. Presque Isle. Northern Round Whites \$1.35-\$1.65 carlot sales in Chicago; \$1.25-\$1.30 f.o.b. New York Danish cabbage \$7-\$12 bulk per ton in city markets; \$6-\$7 f.o.b. Rochester. Northern Danish 85¢-\$1 sacked per 100 pounds in Chicago. New York and midwestern sacked yellow onions \$1.25-\$2 per 100 pounds in consuming centers; \$1.35-\$1.45 f.o.b. New York Baldwin apples mostly \$5.50 per barrel in New York City and \$6-\$7 in Chicago. Closing prices on 92 score butter: New York 51 $\frac{1}{2}$ ¢; Chicago 49 $\frac{3}{4}$ ¢; Philadelphia 52 $\frac{1}{2}$ ¢; Boston 49¢.

Closing prices at Wisconsin primary cheese markets Nov. 29: Single Daisies 26 $\frac{3}{4}$ ¢; Longhorns 26 $\frac{1}{2}$ ¢.

Average price of Middling spot cotton in 10 designated markets advanced 14 points, closing at 19¢ per lb. December future contracts on the New York Cotton Exchange advanced 14 points, closing at 19.11¢, and on the New Orleans Cotton Exchange they advanced 11 points, closing at 19.13¢.

Top price on hogs at Chicago was \$9.10 or 15 cents lower than a week ago.

Grain prices quoted: December wheat at Chicago \$1.27 1/8; Minneapolis \$1.24; Kansas City \$1.22. December corn at Chicago 87 $\frac{1}{4}$ ¢; December oats 49 $\frac{3}{4}$ ¢; and December rye \$1.06 $\frac{1}{2}$ . December rye at Minneapolis \$1.00 7/8. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 53

Section 1

December 2, 1927.

## HOOVER ON ECONOMIC CONDITIONS

Secretary Hoover, in his report for the fiscal year 1927, which was made public yesterday, declared that the rate of real wages in the United States during that period "remained higher than anywhere else in the world or than at any other time in world history." He also emphasized his conviction that this high level of prosperity was the result of a general and permanent progress, based upon sound fundamentals, which gave reason for the belief that satisfactory conditions would continue. In an economic review used as a foreword to his report Secretary Hoover said that the fiscal year ended July 1, 1927, "continued the economic progress which has now been characteristic of American industry for six years." This progress, he said, exceeded all previous records in volume of production and consumption and in the physical quantity of exports and imports, and there was very little unemployment, except a moderate recession near the end of the year. (Press, Dec. 2.)

## COMMITTEE TO CONSIDER BUSINESS MEN'S REPORT

Lewis E. Pierson, President of the Chamber of Commerce of the United States, yesterday announced the appointment of a committee of the chamber to consider the report of the Business Men's Commission on Agriculture and recommend to the Board of Directors a course of action with reference thereto. The members of the chamber's committee are: Dwight B. Heard, Phoenix, Ariz., chairman; Alfred H. Stone, Dunleith Plantations, Dunleith, Miss., vice chairman; E.J. Bodman, vice president, Union Trust Company, Little Rock, Ark.; A.J. Brosseau, president, Mack Trucks, Inc., New York City; William Butterworth, president, Deere and Company, Moline, Ill.; John Brandt, president, Land o' Lakes Creameries, Inc., Minneapolis; William J. Dean, president, Nicols, Dean & Gregg, St. Paul; James R. Howard, farmer, Clemens, Ia.; Frank D. Jackson, president, Jackson Grain Company, Tampa, Fla.; Henry P. Kendall, president, Kendall Mills, Boston; Charles W. Lonsdale, president, Simonds-Shields-Lonsdale Grain Company, Kansas City; Samuel R. McKelvie, publisher, The Nebraska Farmer, Lincoln; Edwin T. Meredith, publisher, the Meredith Publications, Des Moines; Ralph P. Merritt, managing director, Sun Maid Raisin Growers, Fresno, Calif.; John W. O'Leary, vice president, Chicago Trust Company, Chicago; Dr. Andrew M. Soule, president, Georgia State College of Agriculture, Athens, Ga.

## NEW FREIGHT RATES FOR WEST

A Chicago dispatch to-day reports that the Interstate Commerce Commission yesterday announced a new schedule of freight rates from Chicago to points south of the Ohio River which removes the 40 per cent discrimination heretofore enjoyed by eastern manufacturers and shippers. On Jan. 15, when the new rates become effective, Chicago can ship on a parity with New York, Boston, Philadelphia, Baltimore and other eastern centers.





## Section 2

**Agricultural Education** An editorial in The Michigan Farmer for Nov. 26 says: "Critics tell us that graduates of our agricultural colleges do not return to the farm, that these institutions tend to train men and women away from rural life. Possibly so, but we have not been so impressed. Agriculture has benefited much by the graduates of our land grant colleges going out in the world whether to follow the plow, to manufacture farm machinery, to process farm products, or to do any other service. Having once grasped a broad knowledge of the facts of agriculture, a man tends to become a friend of the tiller of the soil, though he may be securing his daily bread from a source foreign to agriculture...."

**Beam Radio** According to word received in New York Nov. 30 by stockholders interested in the Canadian Marconi Company, tests of the new Beam station between Australia and Canada, which have been made on an extensive scale, have proved satisfactory and the circuit will go into operation in another week or so. The similar circuit between London and Canada, which has been in operation for more than a year, is reported breaking records in the volume of traffic handled. (N.Y. Times, Dec. 1.)

**Business Conditions** A statement of the National City Bank of New York, Dec. 1, says: "The past month has been marked by continued evidence of moderate reaction in business and by a strengthening conviction on the part of business men that this reaction is not destined to be serious. Accumulating confidence in the outlook is reflected in the stock market where prices, aided by easy money, have been recovering strongly from the recent slump, on a large volume of trading...Steadiness in steel operations at a time of year when the seasonal trend is ordinarily downward is contributing to an improvement in sentiment...Still more influential in restoring confidence is the growing realization of the underlying soundness of the present situation. Expectations are high for a decided come-back in the automobile industry next year. Just as the slump in that industry is held largely responsible for the current somewhat reduced pace of business, so the recovery in that line is expected to correspondingly stimulate business. Crop returns, moreover, have been good on the whole and farm purchasing power enhanced over that of a year ago...."

**European Chemical Trust** A Paris dispatch Dec. 1 says: "It was learned Nov. 30 that the Franco-German dyestuffs agreement, the principal part of the chemical entente between the two nations, was signed at Frankfort on Monday afternoon at a private meeting of representatives of the participating firms. The Franco-German chemical accord is the basis of the \$1,000,000,000 European chemical trust now in active process of formation....The nitrogen agreement remains subject to negotiations between France and Germany, but inasmuch as dyestuffs are by far the main object of the entente, the agreement may be said to have been formally approved...."

**Farm Industrialization** Samuel Crowther is the author of an article on "The New Agriculture" in The Country Gentleman for December. He says in part: "Farming has already in use all the mechanical elements for complete industrialization. It has no need for wonder tools....Our industrial



equipment has in it many remarkable tools, but mostly they are only combinations of well-known tools. We use comparatively little special machinery. For instance, if six holes have to be bored in a plate, it is a simply matter to contrive a machine which will bore all six at once. It would not be possible to do this without power. The three-row cultivator is on the same principle, and so are the gang plows. These are not inventions but merely ways of using power....Research in industry has been forced by engineering, but research in agriculture has lacked that pressure....All that agriculture has needed to bring into employment the tools which it already knows is pressure. That pressure is here. It will increase. For agriculture is already beginning to feel the new kind of competition which our ancestors never thought of. This is the competition of kind against kind. We already have the competition between growers in the same lines--the oranges of California against the oranges of Florida, and the apples of the West against those of the East. But now we have the larger competition such as in industry exists between the various roofing materials, between steel, wood and concrete in building....In parts of agriculture this has already arrived. Cotton is lined up against both wool and rayon, and, with the improved methods of handling, flax will be in the game. The cereals are in competition in both breakfast foods and bread.... There is no reason to believe that the market for food is more rigid than the market for general goods. We have no fixed national food habits, just as we have no fixed national dress or living habits. Therefore, the industrialization of at least a part of farming is inevitable--the opportunity to make more money fits in with the desire to make more money."

**Florida Fruit** Arrangements have been made for the establishment of direct re-  
**to Foreign** frigerated steamship service from Jacksonville to the United Kingdom.  
**Markets** Through the efforts of the Strachan Shipping Company, Armour & Co.'s cold storage division at Jacksonville, and others, and Parsons & Co. of London, monthly schedules have been arranged for steamers which carry from \$40,000 to \$50,000 worth of oranges and grapefruit on each trip. Beginning with December and continuing through April it is proposed to have monthly sailings of steamships of the Leyland Line, the first steamer being the "Daytonian." The fruit, it is said, will be pre-cooled shortly before the date of shipment and then sent direct to London. (Manufacturers Record, Dec. 1.)

**Government and Business** ity, "Because our business operations have grown in size and complex-  
ity, it was inevitable that business should turn to Government for assistance in those things which business could not well do for itself. World trade involves international relations, and international relations is the business of Government. Trade that involves the buying power and buying habits of a nation requires the collection of accurate information for the guidance of those who make trade decisions, and the census is the business of Government. Government, therefore, is well within its province when it cooperates with business in the field for which Government was designed. Yet in the very pursuit of these legitimate purposes, business on the one hand and Government on the other, have unconsciously drifted toward a relationship which is entirely apart from the original conception of those who framed our Government. Beset constantly with the larger problems of business, Government began to believe that its function was business as well as Government. Business on the other hand increased its demands on





Government until bureaus and commissions have undertaken work that business can properly and adequately do for itself. Almost imperceptibly these two basic tendencies have progressed to a point where on one side they threaten the future progress of American business, and on the other they challenge the perpetuity of sound American Government." (Lewis E. Pierson in Commerce and Finance, Nov. 30.)

**Mussolini's Accomplishments** Merle Thorpe, who interviewed Mussolini recently, writes of his impressions in Nation's Business for December. He says: "A one-time Socialist leader who overnight became absolute dictator of 40 million people. A blacksmith's son who seized the crown of the Caesars and set up in the shadow of the Forum an autocracy, a benevolent autocracy whose popular benefits bring expressions of admiration from the most casual tourist. A despiser of democracy with its endless bickerings and wastes....An autocrat, whose creed of 'action, not words' he has, in a space of five years, infibred a pride, a vitality, an energy in a nation such as has not been known since the glorious Augustan era. Consider the record of this amazing man: He has thrown out thousands of needless government employees; He has cut bureaucratic red tape; He has organized a disciplined militia; He has taken a bankrupt nation with an annual deficit of fifteen billion lire and made it a going concern with a surplus of one billion lire; He has increased Italy's investment in hydro-electric power by 400 per cent; Thousands of acres of swamp lands reclaimed and put into wheat; No strikes under penalty of dire punishment both to employer and employee; Three universities opened and hundreds of primary schools established; A merchant marine, destroyed by war, restored and now larger than ever; Genoa the first port in the Mediterranean; Aviation encouraged, with Nobile, Ferrari, and De Pinedo its fine flower; Unemployment practically unknown--less than in the single city of London; Aqueducts in southern Italy after centuries of delay; A workable telephone system; Beggars put to work; Railway trains on time and stations beautified with flower beds; 2,000 million lire in building operation to meet a chronic housing situation; Highways increased by 60 per cent in six years; One hundred miles of sewage mains added in five years to Rome's 220 miles, some of which have been in use for three thousand years; A rejuvenated street car service, increasing traffic from 144 million passengers in 1921 to 200 million in 1926; Electricity's use increased from 56 million kilowatts to 87 million, with 16,000 new customers in Rome alone; A tax-gathering efficiency which spread the burden from 50,000 in 1922 to 180,000 in 1924. Such is only a partial picture of the work of this most amazing man. Such is the record of a man who scorns democracy and all its works... 'Fascism,' he says, 'means above all the liberation of the Italian people from the dogmas, definitions, and prejudices which traditional democracy heavily saddled upon the Nation....'"

**Trade Relations With Russia** The press Dec. 1 says: "Rumors long persisting of a modification in American commercial policy toward Soviet Russia, and predictions that a breach would before long be made in the barrier America has maintained against long-term credits to that country, were strengthened at the State Department in an announcement Nov. 30 that objection would not be made to long-term credits under certain conditions for the sale of American goods to Russians. Briefly, the position of the Coolidge administration now is that it will not object to long-term credits if they are made after a sale of American goods has been arranged, if they are specifically for such sale, and if they do not involve the sale of securities to the public...."



Section 3  
MARKET QUOTATIONS

Farm Products      Dec. 1: Top price on hogs at Chicago was \$9.10 or 15¢ less than a week ago.

Maine sacked Green Mountain potatoes \$1.90-\$2.15 per 100 pounds in city markets; \$1.30-\$1.30 f.o.b. Presque Isle. Northern sacked Round Whites \$1.30-\$1.65 carlot sales in Chicago; \$1.25-\$1.30 f.o.b. New York and midwestern yellow onions \$1.25-\$1.90 sacked per 100 pounds in consuming centers; \$1.40-\$1.45 f.o.b. New York Danish cabbage \$7-\$15 bulk per ton in terminal markets; \$6-\$7 f.o.b. Rochester. New York Baldwin apples \$5.50-\$6 per barrel in New York City. Michigan Jonathans \$3.50-\$10 in Chicago.

Closing prices on 92 score butter: New York 51 $\frac{1}{2}$ ¢; Chicago 49 $\frac{3}{4}$ ¢; Philadelphia 52 $\frac{1}{2}$ ¢; Boston 49¢.

Closing prices at Wisconsin primary cheese markets on Nov. 30: Single Daisies 27¢; Double Daisies 26 $\frac{3}{4}$ ¢ Longhorns 26 $\frac{3}{4}$ ¢; Square Prints 27¢.

Average price of Middling spot cotton in 10 designated markets advanced 14 points, closing at 19.14¢ per lb. December future contracts on the New York Cotton Exchange advanced 13 points, closing at 19.24¢, and on the New Orleans Cotton Exchange they also advanced 13 points, closing at 19.26¢.

Grain prices quoted: December wheat at Chicago \$1.28 5/8; Minneapolis \$1.25 $\frac{1}{4}$ ; Kansas City \$1.22 7/8. December corn at Chicago 88 5/8¢; oats 51 $\frac{1}{2}$ ¢, and rye \$1.10 per bushel. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XXVII, No. 44

Section 1

December 3, 1927.

## TAX REDUCTION BILL

The press to-day reports that the drafting of the \$236,000,000 tax reduction bill was completed yesterday by the House ways and means committee, and, except for a few minor changes, the measure was placed in the form for introduction the opening day of the session.

## GRAIN FUTURES CASE

An Associated Press dispatch to-day from Jefferson City, Mo., states that the State Supreme Court yesterday ruled that the Missouri Grain Futures Act to prevent gambling in grain futures was valid and did not conflict with the United States Grain Futures Act. The Federal Act, the opinion said, was not intended to encroach upon or destroy the police power of the States, nor to nullify the Missouri law, but to restrict its operation. The decision was in the case of James J. Christopher, a broker of Kansas City, convicted in April, 1925, of violating the State Grain Futures Act and fined \$1,000. Christopher, in his appeal, contended that under the National Grain Futures Act the Federal Government assumed control of all such trading and that the national act took precedence over State law.

## HIGHWAY REPORT

A complete system of low-cost roads may be constructed throughout the United States for less than \$5,000 a mile, members of the Highway Research Board were told in a committee report at the closing session of their seventh annual meeting yesterday at Washington. Such a system of highways is greatly needed for the economic and social progress of agriculture, according to the report. Through the uplift of agriculture the whole Nation would be benefited, it was said. The report was delivered by O.N. Conner, chairman. Mr. Conner said: "The Nation has approximately 2,000,000 miles of highway which may be classed as of secondary importance. It is not economically possible to pave these highways. A progressive type of highway may be constructed at moderate cost which will meet the demands of traffic on these routes, and this construction should be carried out as fast as economic conditions will permit." (Press, Dec. 3.)

## THE INTERNATIONAL SHOW

Chicago Journal of Commerce for Dec. 2 reports California Stamp. the red crossbred Angus-Shorthorn grand champion steer of the International Livestock Exposition, was sold at auction Dec. 1 for \$2.35 a pound on the hoof to the New City Packing and Provision Company of Chicago. The grand champion carload of fat steers, Angus yearling, fed and exhibited by E.T. Hall of Mechanicsburg, Ill., was auctioned off for \$45.50 a hundred pounds to Eli Pfaelzer for McGinn and Company of Pittsburgh. The fifteen steers averaged 1,068 pounds apiece. The price was below the record in 1920 of \$50 a hundred pounds. The Pennsylvania Railroad bought eight carloads of prize steers and one carload of champion lambs. The trophy offered by King Albert of Belgium for the best Belgian stallion at the show was awarded Lourdeau II, a chestnut sorrel, owned by Charles A. Wentz and Sons of Kirby, Ohio.





## Section 2

Food Through  
the Ages

"Man's First Great Passion" is the title of an article by the late J. P. Lowell in Scribner's for November. The author takes his title from the saying of David Garrick, "Our first great passion is to eat," and he reviews through his 8-page essay the history of food, its kind and purpose from the days when the nomadic races were nourished on wild food until the present. He believes that the human race has not until recently had what we should consider enough to be at all times well and healthfully nourished. Food, he finds is better than ever to-day; is cheaper and healthier, and he appreciates the fact that the proportional amount of his wages that the working man needs to spend on food has become through the ages less and less, releasing more and more of his earnings to give him greater leisure.

Fruit Co-  
operation  
in Florida

W.J.Howe of Howe, Fla., who is carrying out one of the greatest citrus grove industries in America, already having some 12,000 or 13,000 acres in groves, owned largely by leading people throughout the country, but under the management of the W.J.Howe Company, and who is pushing this plan to include 60,000 acres which his company owns, has given great attention to the marketing of citrus fruit. In a letter on this subject, he writes the Manufacturers Record for Dec. 1 as follows: "At a recent gathering I took the stand that the Citrus Exchange or some cooperative agency should take the bold stand in Florida in acquiring the citrus crop so as to control its distribution, and I am of the opinion that a minimum price per box should be guaranteed every grower who affiliated with this cooperative agency and any excess returned to him in an annual pool, less a retain of an agreed percentage, perhaps 10 points, for a revolving fund for emergency purposes. This immediately would put the independent packer on the defensive, because he must realize a profit from the fruit he buys. ...The grower is the man penalized, while the independent receives his box profit and through valuation reaches an aggregate of from thirty to sixty thousand per year in the operation of his packing house, while the grower's profit is dissipated because of his short-sightedness in tying up with the man who doesn't play for the high dollar, but rather for the box operation of values....Edward W. Lane, president of the Atlantic National Bank of Jacksonville, has taken the position, and it is a good one, that the banks of the State must awaken to the fact that the growers must be financed and that the banks should finance the grower's crop until this can be marketed. This would work finely through some auxiliary to the cooperative agency, but it will, of course, have to be closed with a contract that won't leak."

Kiwanis Clubs  
and Agri-  
culture

Manufacturers Record for December 1 says: "When representatives of the 30 Kiwanis clubs of Alabama met in annual convention in Mobile this year, they found that one of the most interesting reports was that on agricultural work done by those organizations during the year, as reported by Dr. M.F.Jackson of the Tennessee Coal, Iron and Railroad Company and a member of the Birmingham Kiwanis Club. Outstanding in the work for the year was: First, establishment of closer cooperative relations between members of the Kiwanis clubs, county agents, other members of the extension service staff of the Alabama Polytechnic Institute and the county and State farm bureaus; second, definite projects in marketing; third, improvement of products for marketing; fourth, popularizing Alabama farm products with Alabama consumers; fifth, boys' and girls' club work."



**Livestock**

An editorial in Chicago Journal of Commerce for Dec. 1 says:

**Show Benefits** "There is a note of triumph in this year's International Livestock Exhibition. In recent years the show had been a patient demonstration of faith in a fundamental industry. Now that patience and that faith are justified. For the prices for most livestock are now on a high level, with exceptionally high prices for cattle. The cattle industry's need for economic improvement has been at least as severe as that of any other branch of agriculture. This has been true not only in the range country, where the bulk of the cattle are bred, but throughout the Corn Belt, where they are fed and marketed. Now these regions are benefited by the higher prices. The effect has been beneficial not only to cattlemen but to the banks and the cattle finance companies in the cattle country, and to general business there. Also there has been some benefit to business in the Corn Belt States in which cattle are fed. These varied improvements have caused a distinct optimism at the present International Livestock Exhibition, with which is coupled the annual International Hay and Grain Show. The present stock show has a record entry list of more than 11,500 cattle, horses, sheep, and swine. Forty-two States and five Canadian provinces are represented...."

**Meat Situation**

A review of the livestock and meat situation during the month just closed, issued by the Institute of American Meat Packers, states: "A further trend toward lower price levels on practically all pork products featured the wholesale meat trade during the month just closed. As a result of these and earlier declines, wholesale prices on pork products generally are at the lowest levels they have reached in three years. This situation is interpreted favorably by observers in the industry who feel that a continuation of the relatively low prices now prevailing will make for a healthy trade....With cattle prices approximately 25 per cent higher than a year ago, and the highest in history except during the war period, the beef trade was unsatisfactory. The export trade during November was rather slow....With continued heavy importations of Danish supplies into the United Kingdom, the prices of most meats showed no improvement, which tended to make sales prohibitive for the American packer....Hide stocks sold well up to production at steady prices. The wool market has been moderately active with little change in price."

**National**

An editorial in The American Fertilizer for November 26 says:

**Fertilizer Convention**

"The farmers of the Southeastern States are facing the keenest competition they have ever experienced. What profit will they reap for having diversified their crops and grown their own food and feed if they lose their cotton crop. Of course, they are still growing cotton, but Texas is planting more cotton than all the States east of the Mississippi River, and the Southeastern States are a bit uneasy. This situation with its attendant responsibilities was reflected at the southern convention of the N.F.A. The change in farming methods, which is essential to the prosperity of the Southeastern States, will include the use of more fertilizers. How to convince the farmers of this fact, and how to sell the fertilizers at a profit and not at a loss, were the most important subjects before the convention....The conference at Louisville was typical of the spirit of cooperation with allied workers, which has been developed largely through the efforts of the N.F.A. The Atlanta convention recognized the value of this cooperation, and the



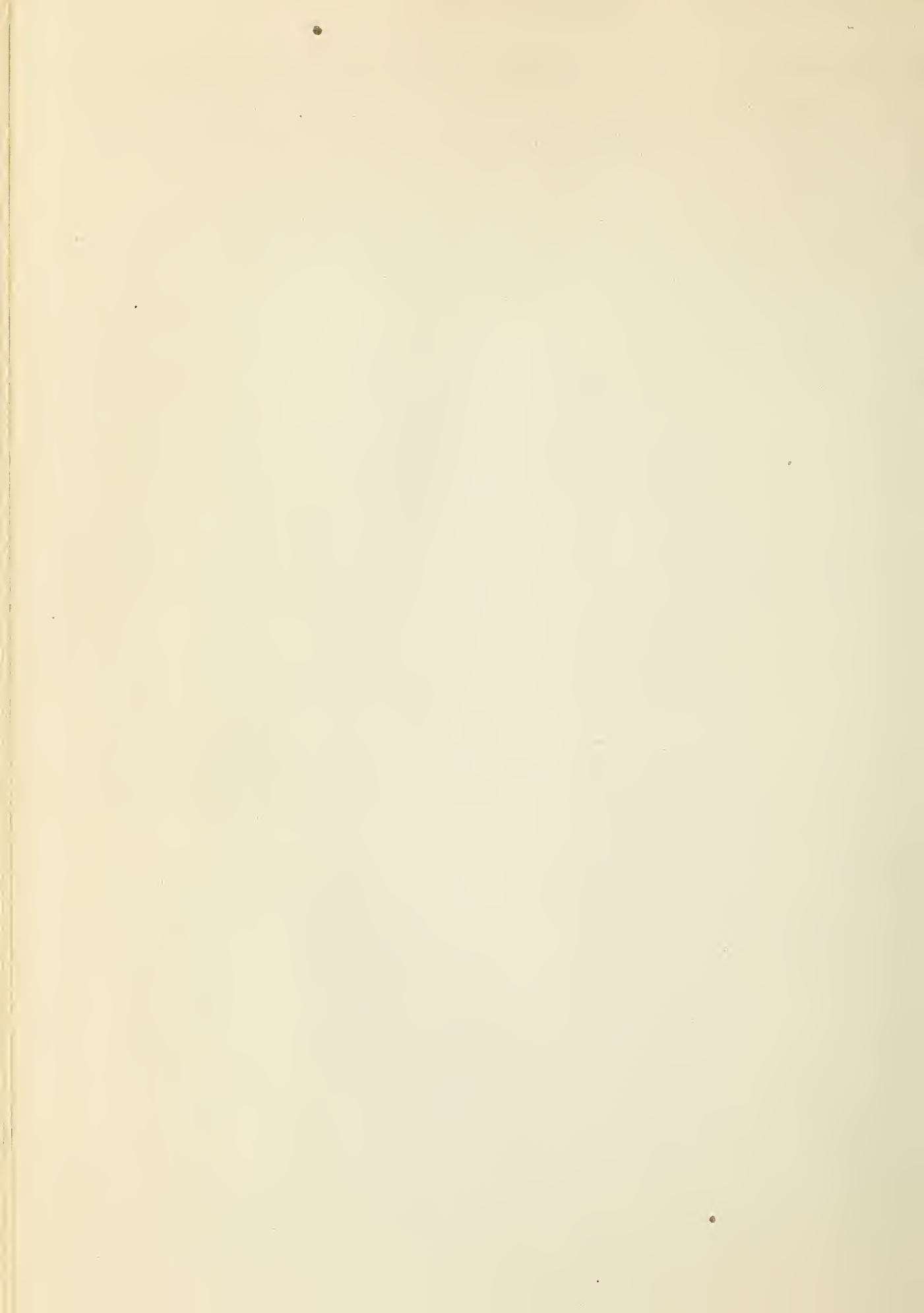


association will work for its further development....The Atlanta gathering was a forward-looking body. Its deliberations will influence the policy of the industry during the coming season, which promises to be a busy and profitable one."

**Operation Efficiency** An editorial in The Country Gentleman for December says: "A recent report of the Bureau of the Census shows that from 1923 to 1925 the number of factories in the United States producing more than \$5,000 worth of goods a year decreased 4.2 per cent, and the number of workers employed by them decreased 4.4 per cent. But the output increased. Its value in 1925 was 4.1 per cent higher than in 1923--higher by 1.6 per cent than in 1919 when wartime inflation was a factor. Horse power increased also--by eight per cent over 1923, by twenty-two per cent over 1919. This is efficiency. Also, since 1907 the number of food animals per person in this country declined from two and a half to only one and a quarter in 1927. Yet each person had available just as much meat to eat. It is not the paradox it seems. For the number of births per thousand cattle increased from 253 in 1907 to 374 in 1926; the number of sheep births from 332 to 422; the number of swine births from 845 to 1,213. The explanation is found not only in the large percentage of breeding animals comprising the modern livestock herd, but also in their higher producing capacity. And better care has increased the number of young animals saved. At the same time better feeding methods have hastened maturity and this, with the demand for lighter-weight beef, has reduced the period between birth and marketing. Turnover has been quickened, overhead expense lowered. This, likewise, is efficiency. And this new efficiency is merely fitting known facts to the job on hand, which is an individual problem that almost anyone can master if he sets himself to the task."

**Orange Prices in Spain** A Valencia, Spain, dispatch to the press Dec. 2 states that the price of oranges has dropped from 25 shillings (roughly \$6) to 14 shillings (\$3.36) a box on the export market. The drop is attributed to excessive shipments, which averaged more than 1,000,000 boxes during the last two weeks.

**Scottish Farm Problems** An editorial in The Scottish Farmer for November 19 says: "Apropos the discussion raised by 'Arthur's Seat' in his reference to farmers' losses, and the most effective method of directing public attention thereto, we have been favored with a perusal of a paper read to the Discussion Society at Guildford in March last by James Wyllie, B.Sc. In this paper emphasis is laid on the fact that farming must be judged by the profit and loss account. The absence of authentic information on the financial results has been responsible for much misleading advice, for a great deal of uninformed and therefore unfair criticism, and for many disappointed hopes. Mr. Wyllie has for about twelve years been familiar at first hand with exact details in profit and loss of many farms North and South, and one gathers that the main lesson he has learned from these accounts is that variations in results are almost the only feature in respect of which there is uniformity. These variations occur on the same farm in successive years, as well as on groups of farms of a uniform class in the same year....Mr. Wyllie protests against the fallacy, too often persisted in, of comparing the young farmer, who has just left college, and his methods and results with those of the experienced farmer



who has never seen the inside of a college. Up to a comparatively recent date economics formed no part of the curriculum of an agricultural college; now they find a place in all, but the emphasis has not been laid as it ought to be on the axiom, that unless the college course enables a man to handle his land to profit it has failed of its chief end...."

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Section 3  
MARKET QUOTATIONS

Farm Products      Dec. 2: Top price on hogs at Chicago was \$9.10 or 35¢ lower than a week ago.

Maine sacked Green Mountain potatoes \$1.90-\$2.15 per 100 pounds in eastern markets; \$1.50-\$1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.65 carlot sales in Chicago. New York Danish/<sup>type</sup>cabbage \$7-\$15 bulk per ton in terminal markets; New York and midwestern yellow onions \$1.25-\$2.10 sacked per 100 pounds in consuming centers; \$1.40-\$1.45 f.o.b. Eastern York apples \$6.25-\$6.50 per barrel in New York City; large New York Baldwins \$6.50-\$7.

Average price of Middling spot cotton in 10 designated markets advanced 28 points, closing at 19.42¢ per lb. December future contracts on the New York Cotton Exchange advanced 28 points, closing at 19.50¢, and on the New Orleans Cotton Exchange they were up 30 points, closing at 19.56¢.

Grain prices quoted: December wheat at Chicago \$1.29½; Minneapolis \$1.23 5/8; Kansas City \$1.23 5/3. December corn advanced to 90 3/8¢, at Chicago and December oats 52½¢.

Closing prices on 92 score butter: New York 51½¢; Chicago 49¾¢; Philadelphia 52¢; Boston 49¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XXVII, No. 55

Section 1

December 5, 1927.

## CONGRESS OUTLOOK

On the eve of the assembling of the new Congress, Senator Curtis, Republican leader of the Senate, and Speaker Longworth, of the House, gave to the Associated Press yesterday surveys of the legislative outlook in their respective bodies. Senator Curtis wrote: "I am extremely hopeful that the Seventieth Congress at its first session will dispose of a number of major problems before it. In the first place the Congress surely will pass all of the annual appropriation bills carrying funds for the various activities of the Government....The Public Buildings bill, which failed in the Sixty-ninth Congress, also will be enacted, as will the deficiency measure which went down in the filibuster during the closing days of the last session. I am confident that there will be enacted a broad, non-partisan flood relief measure....A tax bill, affording another reduction in the tax burden of the Nation, also is certain to be passed before adjournment. I hope and expect the Congress will pass some reasonable farm relief measure that will meet with the approval of the President and will go a long way toward ameliorating the conditions surrounding agriculture by giving the farmers better marketing facilities, greater assistance in carrying forward the cooperative marketing principle and assisting them along other needed lines. I trust the long-pending problem of the Government war-time nitrate and power plant at Muscle Shoals can be taken up and disposed of before adjournment and that the seven States interested in the Boulder Canyon Dam project can agree upon a measure which will be satisfactory alike to the President and the Congress. I hope the committees of the two houses will agree upon and report to their respective bodies a measure that will provide a definite shipping policy under which our country will be assured a permanent merchant marine so essential to our commerce and national defense...These constitute the outstanding legislative problems which are before us as a new Congress convenes and I confidently believe that we will have the earnest support of the whole country in our efforts to find a solution for them at the coming session."

Speaker Longworth wrote: "The House of Representatives of the Seventieth Congress meets with a well defined program for immediate action. It seems reasonably certain that at least three major measures will be acted upon before the Christmas holidays: A bill reducing Federal taxes by not less than \$235,000,000; a bill finally settling the alien property question and the deficiency appropriation bill, which failed in the Senate in the last Congress owing to the protracted filibuster...."

## AIRCRAFT INDUSTRY CONFERENCE

To provide for the future development of the aeronautical industry, more than 200 prominent developers of the science will meet to-day at Washington for a five-day national aeronautics conference, called by the United States Department of Commerce.

The rapid growth of commercial aviation will occupy the attention of the conferees and methods of accelerating its advance will be discussed.

## AUSTRALIAN COM- MISSIONER RESIGNS

A dispatch from Canberra, Australia, to the press of Dec. 3 reports that Sir Hugh Denison, Australian Commissioner to the United States, appointed last year, has resigned.





## Section 2

British  
Industry  
Decline

With but one exception every domestic industry in Great Britain during 1926-27 recorded an appreciable decline in aggregate earnings, according to advices just transmitted to Bankers Trust Company of New York by its British information service. The reports of the various firms included in the survey of industrial profits cover at least six months' business under the cloud of the coal dispute, and the results testify to the ill effects of industrial strife in a highly organized modern industrial community. The period 1920-23 has been taken as the basis of comparison, as it includes a boom, a slump and partial recovery therefrom. The survey, which was made by the Times Trade and Engineering Supplement, reveals, however, that aggregate profits had been falling for some time, so that even in 1925-26 there was an adverse balance amounting to 1,567,000 pounds as against an average profit in the years 1920 to 1923 of 3,742,000 pounds. Cotton textile industries showed a decrease in the ratio of earnings from 7.9% in 1925-26 to 5.2% in 1926-27, and this compares with a ratio of 8.1% in the period 1920-23. On the other hand, wool textile companies by contrast with the formidable depression of 1925-26, found 1926-27 more favorable and were able to increase the ratio of profits to capital to 6% from 2% in the earlier year. The 1920-23 period resulted in average profits of 8.6%.

Farm and City  
Exodus

An editorial in The Field Illustrated for December says: "Farmers who move to the city, and city dwellers who move to the farm, offer practically the same reasons for the change, according to the Bureau of Agricultural Economics, United States Department of Agriculture, which has recently completed a survey of the situation. 'Farmers move to town because they can not make farming pay, or are drawn to the city by the lure of a larger income. City dwellers move to the farm because they have been disillusioned by city life and find they can make a better living on the farm than in the city.' They also find better living conditions in the country. But those who travel city-ward are more numerous than those who seek the great open spaces. That, as the Government experts intimate, is a good thing for agriculture, which is, in this era of overpopulation and production, in need of fewer but better farmers. The survey indicates 'a steady weeding out of older people on the farm who are replaced in part at least, by men and women in earlier life.' Our farm population is slowly decreasing. The industry is in fair way to progress as has trade, commerce and finance, by the survival of the fittest. The result is the development of a more vigorous and efficient agriculture."

Industry's  
Marketing  
Purpose

Irving S. Paull, writing under the title "When is Industry's Job Complete?" in Nation's Business for December, says: "A quarter of a century ago nearly half of the industrial effort of this country was directed toward the production of the basic necessities of existence. Now, less than a third of the industrial effort is in that direction. Until recent times the chief, almost the whole, purpose of industry was to supply such staple articles of consumption as food, clothing and shelter. We are now engaged in improving our social situation. Forty-six per cent of the value of goods manufactured in 1900 was for food, clothing and footwear, building materials and building equipment, furniture and house-furnishings. Products of this character now represent only 32 per cent of the total value of industrial output."



During the past twenty-five years we have increased per capita production by 49 per cent. Our volume of output has grown 178 per cent since 1900, but we require only 87 per cent more persons to produce the increased volume of goods. Instead of performing the drudgery of human machines, men and women in industry are now operating mechanical devices which produce in greater volume than could be done by manual effort....The time-saving effect of mechanization is shown in the fact that the average industrial worker now works about 48 hours per week as compared with 54 to 60 hours in 1900. Hardly 6 per cent of the industrial workers enjoyed a 48-hour week a quarter of a century ago. Not only has time been saved in industrial methods but human energy has been saved. Two men with mechanical conveyors can unload more coal than fifty men could do with wheelbarrows and scoops; seven men can accomplish the work of sixty men in casting pig iron.... With an increase of only 43 per cent in the number of workers engaged we now produce 85 per cent more manufactured food, textiles, leather and its products, lumber and its remanufactures, stone, clay, and glass products than we did twenty-five years ago....During the same period, as a result of the development of the automobile, we have seen an increase of 4,666 per cent in production of vehicles for land transportation, but the mechanical efficiency of the industry is reflected in the fact that the increase in number of workers has been only 326 per cent....Industry and manufacturing now occupies about 30 per cent of the total number as compared with 24 per cent in 1900. Agriculture engaged the activities of about 36 per cent of the gainfully employed at the beginning of the century and now occupies less than 25 per cent. The agricultural industry shows the effect of mechanization in the fact that each farm at the beginning of the century was providing food and farm products to supply 13.24 persons in the United States and now supplies 13.1 persons....These achievements are not an end in themselves, but simply a means to economic and social progress. Their ultimate purpose is on behalf of the individual member of society..." Industry's job will not be complete, the author declares, until every home possesses its full complement of the products of modern industry.

#### Price Fixing

In an editorial on Senator Brookhart's recent statement on farm relief, The Wall Street Journal for December 3 quotes from it as follows: "The farmers are entitled to have the cost of production plus a cooperative return on the capital investment, which would reasonably be 5 per cent. The whole country will concede they are entitled to this price." The editorial makes comment: "Farmers are entitled to 5 per cent on cost of production, and more too if they can honestly get it. But they are not entitled to ask that any percentage of profit shall be guaranteed to them by adding that much to their costs of production. There is no business in the United States entitled to such a guarantee. This idea of a 'cost plus' price is popular among farm organizations. But the defects are so glaring that a schoolboy should be able to put his finger on them. Did any farm organization ever try to figure the cost of production of any crop throughout the United States? The Department of Agriculture should be the best authority in the country on such a matter. It is not only equipped and qualified for the work, but it has no reason for bias or political axe grinding. The department has always found that in every crop there are as many different costs of production as there are





producers. The best it can ever do is to make an average of the different sections. How would that do for a price-fixing method? In the South Plains of Texas they can raise cotton at a profit for 10 cents a pound and in other parts of Texas they claim that the cost is from 13 to 20 cents a pound. A western Kansas farmer who uses a combine can harvest and thresh his wheat for 5 cents a bushel, while his brothers in the eastern part of the State, on smaller farms, using a binder must pay about 25 cents for harvesting and threshing. Whose costs are to be taken as the yardstick? Between the efficient and inefficient farmer there is a still greater difference. Is the cost of the efficient or inefficient farmer to be the measure? Needless to say the purchaser has been overlooked. The price he will pay for any goods is not based on what they cost to produce. What they are worth to him is the measure of what he will pay...."

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Section 3

Department of  
Agriculture

Secretary Jardine's annual report is reviewed at length in The New York Times for Dec. 4, which summarizes as follows: "Secretary of Agriculture William M. Jardine in his annual report, made public to-day, gives his views on farm relief, the relation of the tariff to agriculture, and farm taxation, in addition to describing agricultural conditions during the last year. He finds that agriculture has made substantial progress in recovery from the effects of post-war depression, but that much remains to be done in adjusting production to demand. Favoring legislation to encourage the organization and cooperation of farmers in united marketing action, he opposes any legislation that would cause the Government to enter the business...."

An editorial in The Washington Post Dec. 4 says: "Secretary Jardine makes clear in his report the difference between actual and political farm relief. There is no denying that the agricultural situation in the United States can be improved, but there is a decided difference between uneconomic nostrums and practicable plans. As Secretary Jardine points out, there must be mutual effort in order to arrive at a solution. The farmer can not expect the Government to take all of his troubles off his hands while he continues to practice methods that have fallen behind the times. The farmer, on the one hand, must apply to his business the efficiency without which modern business and industry could not long exist. He must take advantage of the technical and mechanical advantages that have been devised since the World War. He must seek to bring about the elimination of waste, and attempt to adjust production to demand. The Government, on its part, should promote cooperative marketing, reduce transportation and distribution costs, insure equitable distribution of the tax burden, and provide all legitimate credit facilities. The basis of agricultural relief lies in these suggestions. If the farmer persists in following the will-o'-the-wisp offered by the politicians, he will not get permanent relief. A subsidy can not be granted without taxation in one form or another. Money taken from the Treasury must be replaced. Increased Federal taxation would prove as distasteful to the farmers as to any other group."

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Section 4  
MARKET QUOTATIONS

Farm Products      Dec. 3: Livestock quotations at Chicago. The market was generally steady to 10 cents higher than Friday's average and closed slow with advance lost. Compared with a week ago fed steers and she stock 25 to 75 cents higher, highest of season on all except good grade steers, stockers and feeders 25 cents up. Clearance on country account broad, bulls 25 to 50 cents up, vealers about steady, short fed steers and lower grade cows and heifers predominated, about 2,600 western grassers in run, nearly half this supply of Canadian origin., medium and weighty steers brought substantial premium over comparable grade yearlings, extreme top on fed steers \$19. Fat lambs closed 15 to 25 cents higher sheep steady, feeding lambs strong.

Potato markets dull; many growers and shippers holding for higher prices. Maine sacked Green Mountains ranged \$1.90-\$2.15 per 100 pounds in eastern cities; \$1.50-\$1.55 f.o.b. Presque Isle. Northern Round Whites \$1.30-\$1.65 carlot sales in Chicago. Cabbage dull. New York Danish type \$7-\$15 bulk per ton in city markets; mostly \$7 f.o.b. Rochester. Wisconsin stock \$1 sacked per 100 pounds in Chicago. New York and midwestern yellow onions ranged \$1.25-\$1.90 sacked per 100 pounds in consuming centers; \$1.40-\$1.50 f.o.b. Apples firm. Eastern Yorks \$5.75-\$6.50 per barrel in New York City. Michigan Jonathans \$8.50-\$10 in Chicago; Baldwins \$6.50-\$8.

Butter markets continue to hold a steady to firm position with practically no change in prices. Trading somewhat slow but sufficient to readily absorb fresh arrivals. Uncertainty as to coming productions trend tends to keep the situation somewhat unsettled particularly in view of slight slowing up of storage reduction. Closing prices on 92 score: New York 51½¢; Chicago 50¢; Philadelphia 52½¢; Boston 49¢.

Cheese markets were firm. Good inquiry at primary markets and buyers generally taking goods for current requirements without hesitation. Dealers at country shipping points not pushing sales, as stocks keep fairly well cleared. Wisconsin cheese boards advanced a full cent at the close of the week. Closing prices at Wisconsin primary cheese markets on Dec. 2: Single Daisies 27¢; Square Prints 27¢.

The grain market was quite firm again with corn and oats prices reaching new high points on this season's crop.

Average price of Middling spot cotton in 10 designated markets advanced 18 points for the week, closing at 19.40¢ per lb. December future contracts on the New York Cotton Exchange advanced 21 points, closing at 19.53¢, and on the New Orleans Cotton Exchange they were up 16 points, closing at 19.54¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XXVII, No. 56

Section 1

December 6, 1927

**BILLS AND ESTIMATES TO HOUSE** A total of 5,400 resolutions and bills, together with estimates for the first deficiency bill totaling \$194,603,506 were presented in the House yesterday, according to the press to-day.

**A.F.B.F. CONVENTION** A Chicago dispatch to the press to-day states that two thousand farmers discussed their troubles at Chicago yesterday and cast around for a solution of them. They appeared to favor governmental aid, voiced by S.H. Thompson, president of the American Farm Bureau Federation. The farmers were members of the federation and were holding their annual convention. On an average farmers made not more than \$853 last year, Mr. Thompson told them, and this he contrasted with the average net income of \$2,010 in the Nation as a whole, adding that if assistance was not extended the American farmer would fall to the lot estate of the European peasant. "We want no Government price fixing," Mr. Thompson asserted. "We want no Government subsidy, either direct or indirect; we want to avoid putting the Government into business. Therefore, we insist upon a law that will require each marketed unit of the commodity to pay its share in the costs of its stabilization and protection. We base our demand squarely upon the principles in operation in this country in connection with cooperative marketing. These principles have been recognized by the Legislatures of nearly every State in the Union, through the adoption of cooperative marketing laws and also by the Federal Government. This, in my judgment, is the only sound principle upon which a basic and permanent agricultural policy can be established. All others involve either a subsidy, direct price fixing or putting the Government into business. All these practices can and should be avoided." Mr. Thompson quoted figures designed to show that farm overhead costs were steadily increasing, that taxes were higher and that the number of farm bankrupt cases increased from 3,236 in 1922 to 7,769 in 1926.

**LIVESTOCK SHOW HONORS** The Chicago Journal of Commerce for Dec. 3 reports that the State of Iowa "stole the show" at the International Livestock Exposition, according to a compilation of honors Dec. 2. Iowa won premier honors with thirty-two championships and eighty-nine ribbons, several lengths ahead of Ohio, its nearest competitor, which had fifteen championships and forty ribbons. Montana was away in the lead in the hay and grain division and placed with high honors in the cattle division. Canada carried off more than 50 per cent of the sheep prizes and the championship in Clydesdale horses. The livestock ranking of States and Provinces of North America is: Iowa, Ohio, Indiana, Illinois, Minnesota, Ontario, Pennsylvania, Michigan, New York, Vermont, Missouri, California, Kentucky, North Dakota, North Carolina, Wisconsin, Oklahoma, Kansas, Montana, Tennessee, Wyoming, Idaho, Alberta, Manitoba, Nebraska, South Dakota, Saskatchewan, Utah, Massachusetts, West Virginia, Washington and Colorado.





## Section 2

Airplane  
Development

Captain Ferdinand Tuohy, British war veteran, writes in Popular Science Monthly for January on the limitations in the use of the airplane. Captain Tuohy credits the airplane with valuable service in several useful lines, but declares that the year's events have demonstrated the great handicaps experienced through the peril of the enormous gas tanks and the utter dependence of the most powerful machine upon the elements. In respect of popular use of the airplane, the author asserts that the average person is still afraid of it, and "what he does not miss he is not going to chase." The present forced landing nightmare still damns the present airplane as a serious "average man" proposition. He also calls attention to the fact that despite copious helicopter study no advance has been made toward rising directly from the ground or alighting equally directly; while equally profound research has failed to produce a noninflammable air engine. Captain Tuohy hopes that the day may come when an electrical contrivance is invented by which power can be either transmitted aloft to a machine, or, better still, actually harnessed in by the machine's own progress through the ether. Another invention he feels will also be necessary before the airplane obtains the necessary development for practical service is some device of the parachute principle by which a machine may remain suspended indefinitely aloft when something goes wrong. And still another incentive required to make the airplane a popular vehicle is the laying out of landing fields right and left.

American  
Horticulture

An editorial in The Florists Exchange for Dec. 3 says: "The State of Pennsylvania and its Horticultural Society are well deserving of the encomiums and congratulations that were showered upon them during the banquet that marked the completion of that organization's first hundred years of progress and successful service. Not the least happy feature of the occasion, however, was the fact that amid the rejoicing over the advance that was made during the century just ended, there was not lost sight of the opportunity presented by the years to come. Especially significant in this connection were J. Horace McFarland's comments and recommendations concerning the projected organization of a 'United Horticulture.'...As we understand it, the relatively brief history of 'United Horticulture' is one of the gradual crystallization of a modern recurrence of an urge, a need that has made itself felt at various times during the last hundred years. This need is for a centralization of horticultural interests on the broad base of their common interests; for a medium of exchange between the different factors in horticulture to the end that knowledge, inspiration and help along horticultural lines may be rapidly and effectively diffused throughout all sections and among all the people; for a permanent council or chamber through which American horticulture may secure national representation that shall be audible, effective and powerful in adequate proportion to its immense importance; for a logical medium of contact with corresponding horticultural activities of other nations; for a consolidation or amalgamation of interests that will add tremendous support to the individual efforts of every participating unit, and under whose auspices greater endeavors can be inaugurated than any single group or interest could possibly sustain..!"



Fabson on  
Business  
Outlook

Roger W. Fabson, writing on The Business Outlook for 1928, in Current Affairs (Boston) for November 28, says: "A condition exists in the business world to-day that has never before existed since statistics on business conditions have been available. I refer to the fact that we are in a period of declining interest rates which heretofore has never been followed by a panic; and at the same time are in a period of declining commodity prices which heretofore has never been followed by good times. That is, economic history shows: (1) that it has always needed high interest rates to bring on a panic; (2) that it has always needed increasing commodity prices to bring on prosperity; and (3) that the two factors have never before existed simultaneously. Yet to-day we have the apparent paradox of low interest rates and declining commodity prices. This probably explains the marked difference of opinion as to the future which exists to-day amongst the best financial and business leaders...The volume of business to-day is good; but competition is so severe and efficiency so low that profits are very small. Statistics indicate that this same condition will extend into 1928. We can not expect a panic so long as money continues easy; nor can we expect better times so long as commodity prices continue to decline. Apparently a definite turn downward in volume of new building is under way. The current drop in building permits, to about 20% below a year ago, shows what must be expected for 1928 in house building. The total value of contracts actually awarded is running well under a year ago and home building is also on the wane. Yet in some sections the building outlook is still good. The Central West and Northwest districts are expected to make a good showing in 1928 because of crop optimism and these sections should be good markets for materials. The South also promises some increase in buildings as a result of higher cotton and corn prices."

Chemistry's  
Future

The press of Dec. 4 reports: "The belief that the chemist will play a leading part in solving humanity's three major problems of the future--the supply of energy, supply of food and prevention and cure of disease--was expressed by Dr. Arthur B. Lamb, professor of chemistry at Harvard University, at the formal opening Dec. 3 of the new Nichols Chemistry Building on New York University's campus...Professor Lamb, after speaking of the rapidity with which humanity is consuming its sources of energy, chiefly coal, said: 'Sooner or later we must have recourse to the energy of sunlight. The most promising possibility of utilizing this energy is by means of some photochemical and electrochemical process which would transform it directly into electric energy. This is evidently a problem primarily for the chemist. Our present supply of food is relatively adequate. But the population of the world is increasing with great rapidity, and economists tell us that we are approaching a saturation point. Now at bottom, our food is all of vegetable origin, and vegetation is dependent for its growth on a chemical reaction....It is not at all unlikely that some other means can be perfected by the chemist whereby carbon dioxide and water can be made to combine more rapidly and with a greater efficiency of absorption of the energy of sunlight....As to the third problem, the prevention and cure of disease, chemists have already developed in a relatively few years a surprising array of specific drugs and chemicals. Yet the possibilities of synthetic





chemistry have been barely reconnoitered. We can confidently expect, therefore, that chemists will synthesize drugs of the utmost specificity and potency--and that, therefore, our present success is but a faint adumbration of the achievements that are to come...."

**Federal Paper Needs** The press of Dec. 3 reports that Ansel Wold, clerk of the Congressional joint committee on printing, has recommended to the committee that it purchase for the use of the Government for the ensuing year 50,000,000 pounds of paper, or 2,500,000 more than were purchased for the current year. The estimated cost of this paper is \$2,200,000. Included in this supply would be 45,000,000 envelopes.

**German Cotton Trade** A Berlin dispatch Dec. 5 says: "The German textiles market is weakening. As yet there has been no large accumulation of supplies, and booked orders in the cotton cloth mills are sufficient to last until the second quarter of 1928. New orders, however, are visibly falling off. On the other hand, the market for woolen yarn and woolen cloths has improved, owing to the cold weather."

**Radio Stations** A new list of broadcasting stations throughout the world prepared by the Department of Commerce shows that commercial broadcasting is now provided by 434 stations in 57 foreign countries, as against the 659 now operating in the United States and its territories. Europe has 196; North America, outside the United States, 128; South America, 52; Asia, 18; Oceania, 28, and Africa, 9.

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### Section 3

**Department of Agriculture** An editorial in The Fertilizer Review for November says: "One of the earliest activities of the Department of Agriculture, which was established in the Patent Office in 1862, was the gathering and spreading of statistics and other facts relating to crop and livestock production, exports and prices. The statistical and crop estimating work of the department has been notably free from dishonesty and the work has been fortunate in having the services of many men whose ability has been recognized, both nationally and internationally. Not a few of these formerly valuable, public servants appeared so attractive to private business enterprise that they were taken from the department by business organizations, which they are now serving with satisfactoriness and competence, and at rates of pay much in excess of the Federal scale. Scattered through the United States is a corps of voluntary public servants composed of township, county and other crop reporters who serve agriculture wholly without compensation. Some of them have served for decades in reporting crop acreages and condition and similar facts. The township reports are obtained independently from the county reports and from a different set of reporters, and the State reports are obtained from still different sources and all three are used to check each other in order to insure as great accuracy as possible. The appropriations for estimating crop and livestock and for similar statistical work are very modest indeed, but the system that has been worked out by the department is the outstanding one of its kind in the whole world...It may fairly be said that work of the crop reporting board during the last 20 years has been so good and so accurate that the chief occupation of private reporters has been to



Average price of Middling spot cotton in 10 designated markets declined 32 points, closing at 19.08¢ per lb. December future contracts on the New York Cotton Exchange declined 33 points, closing at 19.20¢, and on the New Orleans Cotton Exchange they were down 36 points, closing at 19.18¢. (Prepared by Bu. of Agr. Econ.)





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Vol. XXVII, No. 57

Section 1

December 7, 1927.

## THE PRESIDENT'S MESSAGE

President Coolidge, in his message to the opening session of the Seventieth Congress yesterday, declared that in spite of a prosperity never exceeded this country must continue to practice stern self-denial in public expenditures in order to rid the Nation of its great war-time debt, still amounting to \$17,975,000,000. The Chief Executive dealt with major problems of Government, including farm relief, flood control, taxation, the Army and Navy, prohibition, foreign relations, the merchant marine and inland navigation. The farm problem, Mr. Coolidge contended, could never be solved by price-fixing or subsidy. The Government, he stated, could assist farmers in the orderly marketing of their products, as a first step, by the establishment of a Federal board provided with a revolving fund from which it could lend at a moderate rate of interest. Mr. Coolidge urged local governments to practice strict economy, because, although the Federal Government has "almost entirely relieved the farm from income taxes," State and local taxes still bear heavily upon the farmer. He argued at some length that agriculture would be hurt rather than aided by a reduction of the tariff on industry.

Flood control legislation, the President contended, should be confined by the present Congress to the lower Mississippi, and tributaries to the great river should be considered only so far as they affect the main flood problem. He opposed permitting the Mississippi construction to be made "a vehicle for other projects," thus stating his disapproval of efforts to attach legislative riders. Although Mr. Coolidge regarded the Mississippi flood as "a national disaster," and proclaimed the willingness of the Government to provide "generous relief," he added that the Government could not reimburse citizens for loss or damage incurred through disaster of the elements. He said also that the residents of the land adjacent to the river should bear some yet undecided proportion of the cost of the works for controlling the river. Mr. Coolidge warned against unwarranted tax reduction, declaring that only a slight business depression would greatly reduce the revenue.

The New York Times to-day summarizes the chief recommendations made by the President in his message as follows: "1. The establishment of a Government board to lend money from a revolving fund to aid cooperative marketing. 2. The building of dikes and spillways to control the lower Mississippi River. 3. Reduction of taxes only to the point where a deficit would not be endangered. 4. More cruisers, submarines and airplanes for the Navy, but no 'competitive' building. 5. Keeping the Army adequate for national defense. 6. Selling the merchant marine to private interests. 7. Enforcement and observance of prohibition by citizens and public officers. 8. Laws to permit the President to deal with coal strikes. 9. Selling Muscle Shoals and using the money to find methods for making cheap fertilizer."

## BILLS REPORTED

The House ways and means committee yesterday reported the \$236,000,000 tax reduction bill, and the appropriations committee reported the \$198,000,000 deficiency bill, according to the press to-day.





## Section 2

Bankers  
Study Agri-  
culture

An editorial in The Illinois Farmer for December 1 says: "Illinois bankers were shown the farm problem in a new light when they gathered at the College of Agriculture, University of Illinois, for their recent bankers' agricultural short course, arranged for them at the request of the Illinois Bankers' Association. Dean H.W. Mumford put the new light on the situation when he suggested to the bankers that the opportunity open to agricultural colleges, banks and all others interested in the welfare of agriculture was to get the good farmer and the good farm together. Average farming on the average farm is a losing game, he pointed out.... Approximately 150 turned out for the sessions of the two-day short course, bankers being present from 32 counties, two other States and one foreign country... The present farm business situation, current earnings of Illinois farmers, possibilities for boosting the returns from dairying, the relation between soil fertility and land values, means of getting new information to farmers of the State, solution of soft corn problems through livestock feeding, fruit and vegetable marketing problems, investigational results in the use of combined harvester-threshers in Illinois, the importance of making preparations for seed corn needs and cooperation of bankers in carrying out the extension program in a county, were among the subjects discussed. We are glad the bankers have adopted these annual schools. The good that will come from such meetings can not be estimated. If nothing more than a better understanding of agriculture is gained, the time will have been well spent."

Boys' and  
Girls' Clubs

An editorial in The Illinois Farmer for December 1 says: "The most inspiring and significant movement of young people in this age is not found in any half-baked revolt against Government or discipline or other things as they are, which so often pass for constructive agitation and proves the reverse. The boys' and girls' club movement which in a few years has drawn nearly a million of our farm youngsters into its activities is the most real thing ever known, when it comes to youth activities. It is the world's finest example of the evolution of boys and girls at the age of aimlessness into youths of purpose and definite aim, who know what they want to do and how to do it. It is the finest builder of character and of agricultural ideals which exists to-day in rural life. No wonder that the boys and girls of the 4-H clubs in actual fact 'run away with the show' at every fair and exposition of agricultural nature...."

British Arti-  
ficial Silk

The production of artificial silk yarn in the United Kingdom during the first nine months of 1927 amounted to 27,450,019 pounds, as compared with 18,755,422 pounds during the corresponding period of last year. The output during the first three quarters of this year is actually larger than the whole of last year's production, which came to 25,487,551 pounds, according to advices just received by Bankers Trust Company of New York from its British information service. It is expected in trade circles that the 1927 total production will amount to about 36,500,000 pounds if the rate of production for the last quarter of the year is maintained on the same basis as the first three quarters of the year; this would be an increase of 11,000,000 pounds over last year.



**Congo Rubber** A Brussels dispatch Dec. 4 states that two steamships reached to Belgium Antwerp from the Congo last week, the former carrying 104 tons of India rubber and 233 tons of cotton, and the latter 193 tons of cotton besides other cargo. The report says: "This indicates the results of the Government campaign for cultivation of cotton and rubber in the Congo in order to render Belgium independent of supplies of raw material from the United States."

**Economic Conditions** An editorial in The Wall Street Journal for December 5 says: "On the same day the newspapers inform us that Doctor Jordan, economist of the National Industrial Conference Board, looks with impatience upon 'our much vaunted prosperity in recent years' as having 'something illusory, uncertain and exceedingly uneven about it;' and that the Secretary of Commerce considers it not only fundamentally solid but likely to continue indefinitely. Doctor Hoover says that the fiscal year ended July 1, last, 'continued the economic progress which has now been characteristic of American industry for six years,' and that the causes of this rapid advance are of an enduring and cumulative character. Doctor Jordan's quarrel with the optimism he finds too pervasive of big business and political circles is based upon the fact, as it seems to him, that 'business as a whole has not shown much more than the normal rate of growth since 1922,' and his regretful deduction that 'there has been no real business boom in this country since 1923.' The prime reason for this he finds is slow and uncertain recovery of agriculture from its depression of 1921 and 'the persistently subnormal purchasing power of the enormous part of our domestic market represented by the farm population.' Doctor Hoover rather slurs over the farmer's position. He mentions inadequate prices for cotton and 'some continued depression in agriculture of the Middle West' but asserts that improvement has been taking place in both directions since June. He does not hesitate to declare that the country as a whole is doing well....It is more than probable that both doctors are inclined to overstate the symptoms of the patient's condition as they find them and that the truth lies somewhere in between their contrasting diagnoses...."

**McCarl Asks** Proposed improvements in the Federal departments and a uniform Uniform Retirement plan whereby Government employees would leave the service on retirements the first day of the month scheduled for their retirement are included in the annual report of Comptroller General McCarl made public Dec. 5. Fifty-five uniform accounting systems were installed in the Government departments, the report showed. The Agriculture Department installed 5, the Treasury Department 23, Interior 13, Commerce 2, Justice 5, War 2, and 5 in independent bureaus. Machine accounting systems were introduced in the Agriculture and Treasury Departments. (Press, Dec. 6.)

**Production, Prices, and Profits** The prize essay in the Foster and Catchings Contest on the causes of hard times was won by C.T. Jackson, cost accountant of The George Frost Company of Boston. It is published in World's Work for December, and, in part, says: "What the economic machine lacks is an adequate supply of money delivered direct to consumers. With more money they could buy more, and with this greater demand they could make more. All they need is some means of securing for their use the goods they can and will make....Economists have long recognized the equality of selling price and production cost. The selling price must





pay for materials, labor, and overhead, and yield a fair profit. Though otherwise considered in popular parlance, profit is a very essential element of cost. No one would brave the many perils of a business enterprise without the hope of profit, any more than he would work without the expectation of wages. Profit, moreover, averaged over a period of time, tends to be about what is required to stimulate the volume of production that consumers will buy at the price. Increase that profit and more concerns enter the field; decrease it, and those formerly just able to eke out a bare profit are forced from the race. Profit is not an element of cost as definite as others--it can be slashed at will to tide temporary exigencies--but for business to maintain a healthy, full-scale production it is essential that there be no encroaching upon profits. In general, then, goods are sold for the cost of making and selling them and returning a fair profit to the average producer over a period of years. This, in its essence, is the author's first assumption....The truly critical problem, then, is how so to guide our affairs that sound demands for credit will be adequate to expand the streams of money enough to stimulate business to ever-broadening activity. The greatest demand for credit is in the financing of industrial equipment. If there is sufficient need of new equipment to cause slightly more money than savers have withdrawn to be poured back into circulation, we shall prosper. A certain amount of this equipment serves to cheapen existing operations, but a generous proportion handles new production. If we are to prosper we must demand new products fast enough to require an adequate capital expansion."

**Trade and Crops** An editorial in The New York Times of Nov. 27 says: "That trade activity and industrial production have not this autumn repeated the achievement of last year is a matter of general knowledge. Whatever may be the specific cause or causes--the devastating floods in the West and South, the coal strike, the fact that this season contrasts with a preceding autumn when opportunities were offered by the partial embargo on England's export trade, or only automatic relaxing from an exceptionally high pitch of consumption--nearly all trade returns have borne evidence to moderate reaction. One familiar contributory cause to other similar periods in the past, however, has not existed on the present occasion, and its absence has undoubted bearing on the character of the coming year. Before the war, a deficient harvest was apt to be one accompanying symptom of definite trade reaction. It used then to be said that the mainstay of business activity was 'farmers' buying,' and that a bad agricultural year infallibly meant a setback in general trade....But 1927 has been a favorable year for the American farmer. It has, indeed, been in many respects a season of unusual agricultural good luck....It is still early to measure the probable full effect of these agricultural results in offsetting or reversing whatever of unfavorable influences may have operated in the recent slackening of eastern trade. But they can not be without influence. Even to-day, when exchange of bank checks and earnings of railways are decreasing continuously in nearly all interior sections of the country, autumn bank clearings in the Minneapolis Reserve district have been running 30 per cent above 1926 and 17 per cent above 1925. Northwestern railways are reporting earnings whose substantial increase over recent years contrasts diametrically with those of other transportation systems, and the steel trade is pointing to the rising demand for manufacture of agricultural implements as the notably



bright spot in an otherwise discouraging list of orders. Apart even from the economic influence of this situation, the political significance of agricultural revival at a moment of industrial uncertainty elsewhere would certainly be interesting."

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Section 3  
MARKET QUOTATIONS

Farm Products      Dec. 6: Top price on hogs at Chicago is \$9.00. Prices on other classes of livestock are as follows: Beef steers choice \$17.50 to \$18.25; good \$13.50 to \$17.75; medium \$10 to \$13.75; common \$7.75 to \$10; heifers, good and choice \$10.25 to \$14.25; common and medium \$7.25 to \$10.50; cows, good and choice \$8.25 to \$11.50; common and medium \$6.35 to \$8.25; low cutter and cutter \$5.15 to \$6.35; vealers, medium to choice \$12 to \$14.50; heavy calves, medium to choice \$7 to \$10; stockers and feeders, common to choice \$7.75 to \$12; fat lambs, medium to choice \$13.25 to \$14.25; yearling wethers, medium to choice \$10 to \$12.15; fat ewes, common to choice \$4 to \$7; feeding lambs, medium to choice \$12.65 to \$14.25.

Maine sacked Green Mountain potatoes \$2-\$2.15 per 100 pounds in eastern markets; \$1.45-\$1.55 f.o.b. Presque Isle. Wisconsin sacked Round Whites \$1.50-\$1.50 carlot sales in Chicago; \$1.30 f.o.b. Waupaca. New York and midwestern sacked yellow onions \$1.25-\$2.25 per 100 pounds in city markets; \$1.50-\$1.55 f.o.b. New York Danish type cabbage \$7-\$15 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. New York Baldwin apples \$6.50-\$7 per barrel in New York City; Rhode Island Greenings \$8-\$8.50. Michigan Jonathans \$8.50-\$10 in Chicago.

Closing prices of 92 score butter: New York 51 $\frac{1}{2}$ ¢; Chicago 50 $\frac{1}{4}$ ¢; Philadelphia 52 $\frac{1}{2}$ ¢; Boston 50¢.

Closing prices at Wisconsin primary cheese markets Dec. 5: Flats 27 $\frac{1}{2}$ ¢; Twins 26 $\frac{1}{2}$ ¢; Single Daisies 27 $\frac{1}{2}$ ¢; Longhorns 26 $\frac{3}{4}$ ¢; Square Prints 27¢.

Average price of Middling spot cotton in 10 designated markets advanced 11 points, closing at 19.18¢ per lb. December future contracts on the New York Cotton Exchange advanced 8 points, closing at 19.28¢, and on the New Orleans Cotton Exchange they were up 16 points, closing at 19.34¢.

Grain prices quoted: Dec. wheat at Chicago \$1.29 $\frac{1}{2}$ ; Minn. \$1.25 1/8; Kansas City \$1.24. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 58

Section 1

December 8, 1927.

**THE PRESIDENT'S BUDGET MESSAGE** Presenting a budget of \$4,258,793,765 for the next fiscal year to Congress yesterday, President Coolidge stressed the necessity for limiting the prospective tax reduction to \$225,000,000, as recommended by Secretary Mellon. The total appropriations recommended by the President exceed last year's budget by \$244,222,641, and the amount actually appropriated by Congress for the current year by \$118,649,219. The President advised the House and Senate, however, that a supplemental appropriation of \$158,441,635 would be needed to meet deficits incurred by various Government agencies this year. (Assoc. Press, Dec. 8.)

**FOOD BILL INTRODUCED** Representative Lankford of Georgia introduced a bill to authorize the Secretary of Agriculture to experiment in the sale of food and food products directly from farm to producer. The bill calls for appropriation of \$1,000,000. (Press, Dec. 8.)

**A.F.B.F. CONVENTION** A Chicago dispatch to-day reports that Gen. John J. Pershing speaking before the American Farm Bureau Federation Convention at Chicago yesterday, said: "I hope that America may never consciously or unconsciously drift into or adopt a policy that will weaken the fabric of our agriculture or dilute the high quality of our rural populations. Still, it is obvious even to the casual observer that something is wrong in the adjustment of that industry to the complex conditions of the present day. We are forced to the inevitable conclusion that our national policies have not been at all adequate to meet the needs of American agriculture, especially in this post-war period.... Unless some way through national effort is found of raising the level of prices on our basic products sufficiently to meet production costs and give a margin of profit that will enable the actual producers to hold their land and provide for its constant improvement, then the small farmer is doomed...."

Adoption of a legislative policy for the coming year marked the close of the American Farm Bureau Federation meeting yesterday. Verification of the report that the federation would be united in a fight for the McNary-Haugen bill, passed by Congress at its last session and vetoed by President Coolidge, was had in the resolutions adopted. (Press, Dec. 8.)

**SECRETARY MELLON ON BUSINESS** Although business showed a recession during the last year it now is approaching a normal expectancy with sound underlying fundamentals, Secretary Mellon said yesterday in his annual report to Congress. The Treasury Secretary asserted that business activity began in the spring months of this year to fall below the totals of last year. As a result of this recession, he said, business is "now being conducted on a basis that conforms more nearly to the normal expectancy as judged from the regular rate of growth of the country than has prevailed on the average for some years." (Press, Dec. 8.)





## Section 2

**Agriculture in President's Message** In an editorial on the President's message, The Journal of Commerce for December 7 says: "...While it would be out of the question to deal with all of the subjects which have engaged his attention, there are two or three which, although undistinguished by any priority of treatment or position in the message, were evidently more upon his mind than others. Of these possibly the chief is found in farm relief. More space is given to the general subject of agriculture than to most other topics and it is pointed out that our Government has largely relieved the farmer of taxation and has immensely improved his credit opportunities. Part of his troubles are assigned to State and local taxation, but about the only definite means of relief to the farmer that is suggested beyond what he has already had, is assistance through cooperative associations. The President, however, favors a board or commission to deal with marketing and a revolving loan fund at a moderate rate of interest. This is a vague proposal and one which suggests danger. Perhaps next in importance to the problem of agriculture and far more prominent than it in the general arrangement of the message is the question of tax reduction. As to this, the President has nothing new to offer except the rather unusually emphatic statement that 'any bill for tax reduction should be written by those who are responsible for raising, managing and expending the finances of the Government.'...Scattered through the President's message are many observations of an interesting, acute and informational character. It is a document that may well be read with care by those who are interested in public questions...."

**Boulder Dam** Construction of a dam with Federal aid and under Federal control across the Colorado River, which for several years has been agitated for Boulder Canyon, is recommended to President Coolidge by Secretary Work of the Interior Department in his annual report, according to the press of Dec.6.

**Fur Farm Stock to Europe** A New York dispatch to the press of Dec. 7 reports the consignment of 1,200 mink, 150 silver foxes, 12 raccoons and 42 muskrats to Hans Schafhausen, of Munich. The animals are valued at \$150,000. Schafhausen is the European representative of the United States Fox Farms and the shipment represents a new development in the American fur industry, which through the near-exhaustion of wild life has come to rely heavily on the breeding of fur-bearing animals on farms. The consignment will be delivered to European animal farmers for breeding.

**Master Farmer Records** The Farmer (St.Paul) for December 3 reports that of the 16 men who received Master Farmer medals this year, all but four were born on the farm. They own an average of 388 acres each, their farms and equipment average \$47,000 in value based on present day prices, and 10 out of the 16 own their farms clear of debt. Their average age is 52 years and the average length of time that they have farmed is 25 years. They are all married and have an average of five children who have or will have a high school education. Every one with children of college age has sent or is sending at least one to an institution of higher learning. They live in comfortable homes which are equipped with modern labor-saving conveniences, and have made their farms pay, even in the recent years of agricultural depression. Fourteen of the 16 have water systems, 13 have electric lighting systems, three have



gas lighting systems, 13 have bathrooms, and 14 own power washing machines.

Purchasing  
Power

An editorial in World's Work for December asserts that the chief economic problem is to discover why business periodically suffers a depression and throws millions out of work, and why the net result of all our efforts is so little progress toward steady employment and higher standards of living for the people generally. The first answer, the magazine believes, is because we do not use our vast productive resources--men, materials, machines, and money--at any approach to capacity. Why not? Because we fear that we can not sell the goods at prices that will make continued production possible. And the reason we can not sell the goods is because the people who would like to buy them do not have sufficient incomes. How, then, can we conserve prosperity and sustain employment? We must see that the people receive enough income to buy all the finished products of home industry, or the full equivalent in foreign goods, about as rapidly as they are ready for sale. "The gist of the matter is this: Since underconsumption is the chief cause of our troubles, adequate consumer income is the chief remedy."

Tenant Farmers  
in Texas

An editorial in Farm and Ranch for November 26 says: "Farming, by remote control, adopting the language of the radio, is not as successful as many would wish, according to the experience of many landowners in the Southwest. There are thousands of landowners in Texas, no doubt, who would have a very poor living if they depended upon the proceeds of their rented farm. Yet the percentage of tenantry in Texas has increased 7 per cent in five years. Generally speaking, it has been the experience of landowners that farming by 'remote control' is unprofitable. Taking the loss of fertility and depreciation of improvements into consideration, many are actually losing money who believe that they are making a small profit. And, no doubt, this will always be the case with landowners who know nothing about farming and who do not make their farm and its operation a matter of business concern. Renting a farm should be a business proposition for both parties to the contract. There is nothing unbusinesslike in being a renter. Some farm renters are prosperous in any section of the country. Some would rather rent than to own the land, and many spend their entire life, or until retirement, on the same rented land. It has become their home. But in these cases, the renter and the owner are partners in business, each working for the best interests of the firm. In no other way can a rented farm pay a profit to either party. There are more tenants in Texas than in any other State in the Union, and our system of renting is probably as unprofitable as can be found in the country. This is in evidence by the poor housing and equipment found on most rented farms, by the washed soils, and general run-down appearance of the place. The thousands of drifting farmers and their families every fall and early winter do not indicate satisfactory farm conditions. Owners and renters should find some way in which to stabilize their business."

Trade Commission and Bread Case The press Dec. 6 reports: "The Federal Trade Commission, which attempted, under the Senate resolution of February 13, 1924, to investigate the milling industry of the Nation as it affects the price of a loaf of bread, must submit to a temporary check in the chase of an injunction granted the Millers National Federation of Chicago,





yesterday by the District of Columbia Court of Appeals. The commission served subpoenas upon A.P. Husband, secretary of the federation, which required him to produce the minutes of 21 group meetings of the federation members, together with the correspondence relating thereto, before an examiner at Chicago. Certain witnesses were summoned and ordered to be prepared to testify. The penalty for refusing to do these things is a fine of not less than \$1,000 nor more than \$5,000, imprisonment for not more than one year, or both. The federation protested and finally came into the Equity Court and obtained a temporary injunction which served to nullify the subpoenas temporarily, at least. The commission appealed...."

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Section 3Department of  
Agriculture

- 1 Secretary Jardine's Annual Report is reviewed in an editorial by The Journal of Commerce for Dec. 7, which says in part: "...Mr. Jardine finds that with an actual decrease in total farm acreage there has been an increase in productive output, attributable, he believes, to greater efficiency on the part of the farmer. This development is evidently not as welcome as might be expected, for Mr. Jardine is anxious concerning the effect of increased efficiency upon prices. 'Such efficiency,' he says, 'returns a diminishing total reward as the percentage of efficient producers increases, but the gain probably never vanishes altogether and for the pioneer in efficiency it is substantial.' Decidedly this meagre comfort detracts from the force of the Secretary's assurance that there can not be any justification for lessening the effort to attain increased efficiency...."
- 2 The New York Times of Dec. 7 reports that speakers at the final sessions Dec. 6 of the two-day conference at New York of game wardens, game and conservation commissioners and sportsmen from all over the United States and from Canada stressed the need for better understanding between the land owner and the sportsman. Paul G. Redington, Chief of the United States Bureau of Biological Survey, said political meddling and interference must be eliminated from game administration and that wardens and commissioners must have a free hand to carry out their ideas if any real headway was to be made toward intelligent conservation of America's wild life. Mr. Redington also discussed tularemia, a disease carried by rabbits to which human beings are susceptible. Isolation of the organism and positive diagnosis of the disease marked one of the important steps in medical and game history, Mr. Redington declared, adding that it had frequently been mistaken for anemia, typhoid fever or kindred diseases.
- 3 An editorial in The Progressive Farmer for December 3 says: "...It seems to The Progressive Farmer that the South must decide first of all whether or not it desires the facts as to the prospective production, consumption and price of the cotton crop. If it does wish this information, it must be willing to take the good news along with the bad. It must be a good sport and play the game. The department is not going to publish the bullish news and withhold that of a bearish trend, and even if it did follow such a course, it would react to the disadvantage of the South in the long run. It pays to know the truth, even if it hurts. If the consumption of cotton has dropped off, production increased, and there is a prospect for lower prices, it is



information that we should have and it is best that it should come from an unbiased, accurate source such as the United States Department of Agriculture. Is it necessary that the department give out information regarding production, consumption and prospective prices? We believe that it is very essential to the welfare of the farmer that the department continue its efforts along this line. Cotton buyers and other large concerns are in position to obtain this information for themselves. But from what other source than the Department of Agriculture can farmers get this information?...As we see the matter, it is entirely proper that the Department of Agriculture should give information regarding the production and consumption of cotton and theoretically it is a good plan to interpret this information for farmers in terms of price trends. It is true no one can tell consistently what the cotton market is going to do from day to day, or from week to week, but the Department of Agriculture has at its command cotton crop data gathered from all over the world and the advice and cooperation of the most competent economists in the United States, and it is in position to give farmers information of value regarding probable price trends over a period of several months...."

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#### Section 4

#### MARKET QUOTATIONS

Farm Products      Dec. 7: Top price on hogs at Chicago was \$8.90 or 20 cents lower than a week ago.

Maine sacked Green Mountain potatoes \$1.65-\$2.15 per 100 pounds in eastern markets; \$1.45-\$1.55 f.o.b. Presque Isle. Wisconsin Round Whites \$1.50-\$1.60 carlot sales in Chicago; \$1.30-\$1.37 f.o.b. Waupaca. New York and midwestern yellow onions \$1.40-\$2.40 sacked per 100 pounds in consuming centers: \$1.45-\$1.55 f.o.b. New York Danish type cabbage \$10-\$15 bulk per ton in terminal markets; \$7-\$8 f.o.b. Rochester. Eastern York apples \$5.75-\$6 per barrel in New York City; New York Baldwins \$6-\$7. New York and Michigan Rhode Island Greening, \$9.50-\$11 in Chicago.

Closing prices of 92 score butter: New York 51 $\frac{1}{2}$ ¢; Chicago 50 $\frac{3}{4}$ ¢; Philadelphia 52 $\frac{3}{4}$ ¢; Boston 50 $\frac{1}{4}$ ¢.

Closing prices at Wisconsin primary cheese markets Dec. 6: Single Daisies 27 $\frac{1}{2}$ ¢.

Average price of Middling spot cotton in 10 designated markets declined 8 points, closing at 19.10¢ per lb. December future contracts on the New York Cotton Exchange declined 5 points, closing at 19.23¢ and on the New Orleans Cotton <sup>Exchange</sup> they declined 7 points, closing at 19.27¢.

Grain prices quoted: December wheat at Chicago \$1.29 $\frac{1}{2}$ ; December wheat at Minneapolis \$1.25  $\frac{5}{8}$ ; Kansas City \$1.24 $\frac{1}{4}$ ; December corn 91¢; oats 52  $\frac{7}{8}$ ¢/\$1.09 $\frac{1}{2}$ . (Prepared by Bu. of Agr. Econ.)

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Vol. XXVII, No. 59

Section 1

December 9, 1927

## THE PRESIDENT

President Coolidge submitted to Congress yesterday the PRESENTS FLOOD flood-control recommendations of Major Gen. Jadwin calling for PLAN an expenditure of \$296,400,000 on the lower reaches of the Mississippi River. Of this amount the Army engineers recommended that \$185,400,000 be spent in flood control works, with the Federal Government bearing 80 per cent of the cost and the States affected 20 per cent, and \$111,000,000 would be set aside for channel stabilization, to be provided by the Federal Government alone. The report spreads the work over a period of ten years, with \$25,000,000 the first year and \$30,000,000 a year thereafter. (Press, Dec. 9.)

## TAX BILL

The tax cut bill, which was formally submitted to the House yesterday by the committee on ways and means, will reduce revenue \$232,735,000, but less than half of this loss will be felt in the fiscal year 1928, ending June 30 next, according to a report on the measure made by Chairman Green. The full effect of the tax cut will come in the fiscal year 1929, beginning July 1 next. (Press, Dec. 9.)

## DEFICIENCY BILL CONSIDERED

The House yesterday considered the first deficiency bill, approving several items, including the administration's public building program, according to to-day's press.

## I.C.C. CONTROL

The Associated Press to-day reports: "More power to control and direct railroad consolidation policies was sought from Congress yesterday by the Interstate Commerce Commission. In its annual report, the commission formally recommended a whole series of changes and additions to present laws governing railroad consolidation, nearly all of which would tend to give the Federal Government a firmer and more complete grip upon carrier organization." "

## AMERICAN AT NITRATE PARLEY

A Paris dispatch to-day says: "An official of a large American nitrogen company, it has come out, is sitting in the negotiations going on at Frankfurt and Paris between France, Germany and Britain for the organization of a trust to control the world supply of synthetic nitrates. It is the belief in Paris that an entente can not successfully be created without the participation of the United States. If the American producers themselves do not come in the American sales organizations which distribute nitrates will join the entente propaganda and publicity agreement for the development of sales. The promoters of the trust, however, are anxious to include American industry on a full share basis, in which case the Americans will divide the markets of the world to protect their own from harmful competition from the impending trust."





## Section 2

**Britain Enters Chemical Trust** The press to-day reports that Great Britain has united with France and Germany in an effort to control the world's chemical markets, according to official advices received by the Department of Commerce. R.C. Miller, acting commercial attache at Paris, said in a brief cable to the department that British dyestuffs interests were reported to have joined with the other two countries in an agreement recently signed at Frankfort formally bringing into existence in Europe a chemical entente for the purpose of allocating the markets between themselves. Mr. Miller's cable stated that the European agreement reported to have been signed by the boards of the French and German companies awaited only British Government sanction before being made formally effective as of Jan. 1, 1928. Swiss dyestuffs producers, he said, were negotiating for entry into this entente.

**Dairy Industry in South** An editorial in Farm and Ranch for December 3 says: "There is a widespread interest in dairying in the Southwest. Some men have grown enthusiastic over the future of the industry and would make a dairyman out of every farmer. They do not give heed to the problems of marketing or the dangers of overproduction. Important as dairying is in the program of southwestern development, a word of warning is timely right now. Not every farmer is properly located or equipped to make dairying his major project. Not every farmer has the patience or a knowledge of the requirements of dairying to make it a success even though well located and fully equipped. Any farmer will make a mistake by investing heavily in good dairy cows and equipment unless he is willing to study feeding and care of cows, and is in a position to handle his milk and cream in a manner as to meet the approval of the rigid rules of city health departments.... Some farmers measure the value of cows by the size of their cream check. No farmer should do this, for skim milk can be fed to hogs and poultry and the fertilizer used in enriching the soil. As a farm proposition, the value of good cows should be measured by the increased profits derived from these various sources."

**Farm Machinery** Cyrus McCormick, jr., writing on the future of farm equipment, in Farm Mechanics for December, says: "It seems clear that the trend of our industry and of agriculture toward power farming is even stronger and likely to be even more rapid than has been heretofore prophesied. That advance is not a matter of sentiment or preference, but of cold arithmetic. It is not the general psychological urge toward gasoline and rubber that is bringing in the horseless farm but stern economic necessity--the farmer's necessity of reducing the power and labor costs which constitute sixty per cent of farm operating expense. That farmer who does not take advantage of the most economical and the best methods of farm production will not be able to compete successfully with the farmer who does. There is no question that the use of farm implements is just as much a business, just as much a science, as any other kind of production."

**Farm Working Day** Dr. Andrew M. Soule, president of Georgia State College of Agriculture, writing in Manufacturers Record for December 8, says: "The claim that the average farmer works only 58½ out of every 365 days does not seem well substantiated in so far as Georgia is concerned. We do not know just how this conclusion was reached by those who advocate it; but we are inclined to think that in any event they have not



investigated the record with the care and consideration which should have been accorded a proposition of such gravity before a statement of the character enunciated above was made public....This institution has been fortunate enough to make certain agricultural surveys in typical counties of this State. These surveys are based upon the procedure followed by farmers operating on programs covering 40 acres of land, 79 acres of land, 150 acres of land and 335 acres of land. Our investigations indicated that the average productive labor days per farm are as follows: For the 40 acre farms, 323 days or 8.07 days per acre. For the 79 acre farms 531 days or 6.72 days per acre. For the 150 acre farms 901 days or 6.01 days per acre. For the 335 acre farms 2,113 or 6.31 days per acre. It is probably true that on the forty-acre tracts, the farmer's family all contributed to the program of work which was inaugurated and carried into effect. It is possible that from three to five individuals may perform a part of this labor. Some of them of course would be children and should not therefore be regarded as performing more than one-fourth to one-half of an adult laborer's normal load of work. The chances are that a good part of the work they did would be in the nature of picking cotton. In any event, we would be inclined to think that the average farmer operating 40 acres of land would be performing two or three times as much labor on the average as he has been commonly credited with by those who view the situation from the standpoint set out in the initial paragraph of this article. Remember also that these figures apply only to cultivated crops. What about the care of the animals night and morning, and the endless chores which must be performed 365 days a year on any well regulated farm?..."

**French Industry** France's "industrial barometer" of production and commerce for the month of August 1927, according to advices received by the Bankers Trust Company of New York from its French information service, showed a slight increase, the index figure being 129.62 as against 128.86 for July and 121.26 for June, while for August 1926 it was also 129.62. Except for fertilizer and raw wool, imports increased slightly over July, coal 2,055,760 metric tons as against 1,459,600, mineral oils 219,609 tons as against 137,405, raw cotton 17,155 tons as against 14,853, while imports of raw wool fell from 25,947 tons in July to 20,757 in August and those of fertilizer from 443,605 to 281,537 metric tons. Exports showed an increase, except those of automobiles which declined from 8,933 to 8,337 metric tons, while cotton goods rose from 6,336 to 7,491 tons, woollens from 1,910 to 2,353, silks from 671 to 715 and lingerie exports from 510 to 668 tons.

**Fur Industry** The Index, published by the New York Trust Company, calls attention to the development of the American fur industry. With the war, the review says, the American fur industry ceased to be dependent upon Europe for its central market, its financing or even its styles. New York became as important a fur center as Leipsic, London or Paris. The production of fur goods in this country as a whole is now well over a quarter billion dollars, rising from \$44,000,000 in 1914 to \$254,000,000 in 1925. The import of raw and dressed fur in this country ranks seventh in value in the list of American imports and amounted to \$117,000,000 last year. In addition, American exports each year amount to about \$25,000,000 of dressed and undressed furs.





## Japanese

The Literary Digest for Dec. 10 contains an article on rice control by the Japanese Government. It says in part: "....As long as the price swings more or less violently one way or the other, we are told, the Japanese people 'can never sleep on high pillows.' Now, it appears, the Japanese Government has been forced to take a hand in the rice industry for no other reason than to stabilize prices and smooth out the friction between the demand and supply of the staple. This statement is made by a staff contributor of the most important business periodical in Tokyo, the Jitsugyono Nihon, who tells us that in years of a bumper rice crop, when the price breaks so sharply as to cause the farmers financial losses, the Government steps in and buys in sufficient quantity to stem the tide of the panicky market. In lean years, this informant goes on to say, or at the time of a great catastrophe, such as the earthquake of 1923, when the price of rice begins to soar, the Government opens the doors of its rice warehouses and sells enough rice to chill the ardor of any aggressive speculator who dreams of cornering the market....The most serious problem in the storage of rice, we are told, is the fight against rice-worms, and the Government-warehouse authorities are now fighting them with a poison gas similar to the one used by Germany in the World War. Last year was a lean year, this writer notes, and in February, 1927, the Government lifted the import duty on foreign rice. But later in the year the market was flooded with selling orders, we are told, and the farmers who had held their stocks for a higher price, because of last year's bad crop, dumped their holdings all at once when they saw there was no rise in price. Then the people at large, fearing scarcity at the first hint of mounting price, it is related, took to cheaper substitute food--and caused a decided slump in the demand for rice. But this year Japan is said to be certain of a great rice crop, and this also helped to wreck the price, so that the Government made preparations to buy 1,000,000 koku to relieve the market, but so far it has succeeded in buying only 210,000 koku."

## Texas Citrus Industry

"With the percentage of citrus trees planted in the Laredo Winter Garden sections of south Texas virtually three times heavier to oranges than grapefruit, the development of a commercial 'orange belt' for Texas is apparent," according to a report by the Texas State Department of Agriculture. "It is estimated approximately 111,000 citrus trees are planted in the area represented by the communities listed. The great majority of these plantings are well under the four-year stage of commercial bearing and the Winter Garden-Pearsall-Encinal acreages are virtually settings of the past year. At Laredo, where the largest individual orchard of the State is located, it is doubtful if 800 trees are in bearing at present, but the 1928-1929 season will show in the neighborhood of 6,000 trees offering tonnage to consuming markets. Experiments are already being conducted in this section to test the value of ethylene gas in the coloring of the rind, and are reported to date as very satisfactory. Similar experiments where major citrus production of Texas is located and a preponderance of grapefruit to other citrus is noted. If plans at present under contemplation materialize, next season will find citrus acreage in the Winter Garden section doubled and approximately 5,000 more trees set in the Laredo territory proper." (Manufacturers Record, Dec. 8.)



## Section 3

Department of Agriculture      The Secretary's Annual Report is reviewed at length in an editorial in Ohio Stockman and Farmer for December 10. It says in part: "...For one thing we are grateful, because we believe it is the policy of the Secretary also. Further expansion of crop areas by reclamation or development with public funds is condemned and shown to be inconsistent with efforts to find a way to handle surpluses. There is no scarcity of farm land, and our land policy 'should take the form of investigation and helpful direction to private enterprise, supplemented in some measure by Federal and State acquisition of forest lands.' Let us hope that the day of reclamation with public funds is past; that hereafter those who want reclamation will have to show that it is profitable, in which case private capital will readily flow into it....We have mentioned only a few of the things covered in the Secretary's report, which is rather lengthy but usually clear. We are glad to record his optimism as to the present and the future, after some years of experience with official and unofficial calamity talk."

## Section 4

## MARKET QUOTATIONS

Farm Products      Dec. 8: Top price on hogs at Chicago was \$8.85 or 25¢ lower than a week ago.

Maine sacked Green Mountain potatoes \$1.85-\$2.15 per 100 pounds in eastern cities; \$1.45-\$1.55 f.o.b. Presque Isle. New York and midwestern sacked onions \$1.50-\$2 per 100 pounds in consuming centers. New York Danish type cabbage \$8-\$15 bulk per ton in terminal markets; mostly \$8 f.o.b. Rochester. New York Baldwin apples \$6-\$7 per barrel in New York City and \$6-\$8 in Chicago.

Closing prices on 92 score butter: New York 51 $\frac{1}{2}$ ¢; Chicago 51 $\frac{1}{4}$ ¢; Philadelphia 52 $\frac{1}{2}$ ¢; Boston 50¢.

Closing prices at Wisconsin primary cheese markets Dec. 7: Single Daisies 27 $\frac{1}{2}$ ¢ Double Daisies 27 $\frac{1}{4}$ ¢; Longhorns 27 $\frac{1}{4}$ ¢.

Average price of Middling spot cotton in 10 designated markets declined 47 points, closing at 18.63¢ per lb. December future contracts on the New York Cotton Exchange declined 57 points, closing at 18.76¢ and on the New Orleans Cotton Exchange they declined 55 points, closing at 18.78¢.

Grain prices quoted: December wheat at Chicago \$1.28 $\frac{1}{4}$ ; Minneapolis \$1.24 $\frac{3}{4}$ ; Kansas City \$1.23 $\frac{1}{4}$ . Corn, 88 $\frac{3}{4}$ ¢; Oats 51 $\frac{3}{4}$ ¢; Rye \$1.08 $\frac{1}{4}$ . (Prepared by Bu. of Agr. Econ.)





# DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXVII, No. 60

Section 1

December 10, 1927.

**BILLS IN CONGRESS** Fifteen hundred bills were introduced in the Senate yesterday, including bills for farm relief, flood control and Boulder Dam.

The House yesterday passed the first deficiency bill, calling for an appropriation of \$198,000,000. It also debated the \$232,735,000 tax reduction bill and agreed to bring the debate to an end by the time of adjournment to-day. (Press, Dec. 10.)

The Associated Press reports: "The ground work for another farm relief battle was laid yesterday with the reintroduction by Senator McNary of the McNary-Haugen bill, slightly modified from the form in which it was vetoed last spring by President Coolidge. Senator McNary, who will be chairman of the Senate agriculture committee, met some of the objections which the President voiced to the old McNary-Haugen measure, but he is sticking by the controversial equalization fee provision as a means of raising funds to market surplus crops."

## **WATER TRAFFIC**

Water-borne commerce of the United States during the calendar year 1926 exceeded for the first time the half-billion-ton mark, according to a report by Major Gen. Edgar Jadwin, Chief of Army Engineers, transmitted to Congress yesterday. The total was 540,500,000 tons, with a value of \$26,722,000,000, or about 40 per cent of the tonnage handled by American railroads, and represented, the report said, a consistent increase over preceding years that reflected not only general prosperity and expansion of the Nation's business but an increasing appreciation by the public of the economies accruing from such transportation.

## **BOSTON HOTELS ASK BEEF ABSTENTION**

A Boston dispatch to-day states that leading hotels of Boston, according to a resolution drafted yesterday at a meeting of the City of Boston Hotel Association, will request their patrons not to order beef until the "price and quality return to normalcy." The hotels will ask all the night clubs, restaurants and cafes in the city to cooperate with them in their campaign, according to the report.

## **BRITISH AND SUGAR TRUST**

A London dispatch to-day says: "British producers not only do not intend to enter into the agreement of the Cuban and European sugar growers to curb the overproduction which has resulted in a glut of sugar on the market but will probably secure an additional grant from Parliament for the extension of their plantations. Britain's position as to sugar is similar to that of America on rubber--it is a large consumer and a small producer--and hence is not interested in curtailment plans. There is also a desire to foster the English beet sugar industry. According to a supplementary estimate by the Ministry of Agriculture to-day, Parliament will be asked for an additional 900,000 pounds as subsidy for the beet sugar industry, bringing the total this year to 5,400,000 pounds."





## Section 2

**Agricultural Improvement** An editorial in The Wall Street Journal for December 9 says: "Condition of the farmer shows marked improvement. This, in substance, is what the President says concerning agriculture. Secretary Jardine gives similar and more detailed information. These statements, emanating from the President and the Secretary of Agriculture, are not loose opinions, but are based on actual facts. If we compare the prospects of spring and early summer with the realization of this autumn, we must admit that there has been a wonderful change for the better. But it was not that to which the President was referring. He was looking back over the post-war years and comparing them with the situation to-day. What does he find? Turn first to the Bureau of Labor's index of average prices. In October, 1920, the average for thirty agriculture products was 178. The wholesale price of nonagricultural commodities averaged 237. This made the purchasing power of the farmer's dollar equal to 75 cents. There was a still further spread than this in 1921, so that for the whole year the average of the farm dollar was 69 cents. While there have been ups and downs in the index, the level of the two prices has been coming together. In October of the present year, they were so near together that the farmer's dollar was worth 92 cents. While this is not all that could be desired, it certainly showed a wonderful improvement. Looking at the general production of the present year, the country has reason to be well satisfied with the outcome... Our population is increasing at the rate of about one and a half per cent a year, and for this reason production is really smaller than average when put on a per capita basis. Measured by actual consumptive power, there seems no reason why the present crop production should not give satisfactory returns to the farmer and make his position even better than is indicated in the President's message."

**British Farm Problems** An editorial in The Scottish Farmer for November 26 says: "The first recorded 'pool' in agricultural produce, according to James Lennox, was Joseph's effort in Egypt, as set forth in Genesis XLI. By his foresight in controlling the surpluses during the seven years of plenty Joseph fed not only Egypt but neighboring peoples during the seven years of famine. The principle on which he acted is that which is at root of the Canadian wheat pool and the Glasgow milk pool. The bumper wheat crop of 1923 was a disaster for the Canadian farmer and not a blessing....Out of his experiences in that year of plenty the Canadian farmer learned to keep control of surpluses in his own hands. So far from the four pound loaf in Great Britain advancing in price because of that action, it is to-day cheaper than it was in 1923 or 1924. Controlling the surplus does not necessarily involve restricting supplies; it means regulating the supply to the current need--not allowing the market to become glutted and so playing into the hands of the speculator. The latter can always look after himself. He has resources impossible to the individual producer; hence the latter must combine and, as in the milk trade, form creameries where the surplus, if such there be, can be handled expeditiously and economically....Mr. Lennox adopts as his unit the British Empire, and when he refers to control of surplus he means not home surplus only, but the surplus food supplies of the Empire....Provided ocean trade routes can be kept open there may be formed a greater economic union than even that of the United States



of America....Mr. Lennox...offers the strong criticism on current politicians that all parties are at one in this that they neither understand nor sympathize with agriculture. Seventy-five per cent of the electors are urban; the only policy that can appeal to them is one which is nonpolitical, which is based on fair play, and not on any political doctrine. As an illustration of such a policy Mr. Lennox specifies certain particulars. Agriculture is unjustly rated; it pays far more than its own share for education and roads. Occupying owners are not allowed sufficient rebate towards upkeep. Nothing has been done to develop rural telephones; their provision and use would greatly reduce costs....Railway rates invariably favor the foreign importer. The sugar beet subsidy has gone mostly to the big engineering firms who fitted up the factories. The safeguarding of industries is unfair to industries which are not safeguarded, and of these agriculture is the chief."

**Cattle Cycles** An editorial in The Iowa Homestead for December 1 says: "That there are definite cycles in production and prices of various commodities, agricultural as well as nonagricultural, is to-day a well recognized fact in many branches of business. In fact leaders of industry and business as well as many farmers take these cycles into consideration in planning their work from year to year or for several years ahead. The cattle cycle ranges from 14 to 17 years, during half of which period values advance from a low price point to a high price top, while production advances from a maximum to a minimum in number of cattle. When we have the largest number of cattle per capita the lowest prices prevail, and when cattle are scarce, prices are relatively high. It is the same with hogs except that the cycle is shorter, because hogs multiply much more rapidly, so a shortage in hogs can be turned into a surplus in less time than in the case with cattle....For the producer and the feeder of beef cattle, there is probably no better guide for the future than the experience of the past, according to which, during the next four years at least, beef cattle will be relatively high and production of beef will prove profitable."

**Cooperation in Wisconsin** An editorial in The Wisconsin Farmer for December 1 says: "...Individual farmers have formed individual habits of thought and action which makes it difficult for them at times to unite on any common cooperative program. It is not said in a desire to lament the situation or to paint dark pictures for the future in Wisconsin. By means of wholesome education, a few ups and downs and the constant progress in the examples of successful cooperative ventures, farm folks are bound, in due time, to find leadership worthy of a larger movement than any thus far undertaken in Wisconsin....Wisconsin has been making splendid progress in cooperation. The latest and best authorities say that about one-tenth of the annual milk production of Wisconsin is delivered direct to cooperative sales channels, not counting the local creameries that sell butter to private dealers. Wisconsin stands third among the States in total membership in farmers cooperative associations. Cooperative selling of a farm commodity rather than cooperative buying has taken the lead here. The live-stock shipping associations and the cooperative dairies easily top the list and make up 90 per cent of the State's agricultural cooperation, except for telephone and insurance companies. Federation, they





tell us, is the next step. Attempts have been made to federate the creameries, mostly for quality control work in preparation for marketing.... Still another, and later idea, is to unite all the willing dairy cooperatives into a State-wide operating dairy sales association. Quiet investigations by letter are about to be made to test the soundness of such a plan and its reception by cooperative managers and members...."

Cooperative  
Banking In  
Iowa

An editorial in Wallaces' Farmer for December 2 says: "The present movement for cooperative banking in Iowa had its inspiration in the work of the various labor banks over the country, the first of which was established in 1920. The several years that have passed since then have seen the establishment of forty banking institutions by trade unions and their members. Out of these forty, two have failed and three others have gone out of union control. On the whole, however, the movement has had a moderate success although some associated real estate ventures have failed. The combined resources of the existing labor banks are in excess of \$126,500,000.... Another important field of finance into which some of the trade unions are going is that of life insurance.... Can the farmers of Iowa do as well as the trade unions have done in organizing banks under their own control? Perhaps they have set themselves a little harder task, since cooperative banks organized in Iowa will be strictly cooperative, while the labor banks fall short on several points of the cooperative ideal. In 1919 who would have been reckless enough to say that in eight years labor would have almost forty successful banks? How many strong cooperative banks will there be in Iowa in 1935?"

Tobacco Revenue

An editorial in The New York Times for Dec. 9 says: "Not all of the Nation's expenditure on tobacco goes up in smoke. A considerable portion goes to the United States Treasury. For the budget-makers at Washington, tobacco is a beneficent weed. Of a total internal revenue of close to three billion dollars for the fiscal year ended last June, the tobacco tax contributed 17 per cent. Of all internal revenue, excluding the income tax, the smokers contributed 58 per cent. The sum of \$376,000,000 thus paid in is almost exactly the entire internal revenue for the year 1914 and is one and two-thirds the amount derived in 1914 from the tax on alcoholic contents of pleasant or iniquitous memory. Tobacco is by far the most heavily burdened of the luxuries. In 1923 the value of tobacco manufactures was estimated at \$820,000,000 and the tobacco revenue accruing to the Government was \$309,000,000. Thus it would appear that only 60 per cent of the solace derived from tobacco goes to the consumer; nearly 40 per cent goes to Secretary Mellon. Where there is so much smoke there is the fire of myriads of cigarettes; 65,000,000,000 in 1923, 71,000,000,000 in 1924, 79,000,000,000 in 1925. Twenty years ago, it is stated, the American people smoked two cigars for every cigarette. Now it would be twelve cigarettes for every cigar.... Of last year's tobacco revenue of \$370,000,000, just two-thirds came from cigarettes...."



## Section 3

Department of  
Agriculture

An editorial in Ohio Stockman and Farmer for December 10 says: "Dr. C.W.Larson, first and present chief of the Bureau of Dairy Industry of the United States Department of Agriculture, has resigned to become Director of the National Dairy Council. A great loss to the Department of Agriculture and a corresponding acquisition by the Dairy Council, which under his direction we may expect to become more useful to the industry than ever before."

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Section 4  
MARKET QUOTATIONS

Farm Products      Dec. 9: Chicago market as compared with one week previous showed a 10¢ decline on top hogs. Top on hogs was \$9, while best fat lambs were quoted at \$14.40, and beef steers representing the top of choice grade were nominally quoted at \$18.25, though nothing good enough to bring the price was available.

Eastern York Imperial apples \$5.75-\$6 per barrel in New York City. Maine sacked Green Mountain potatoes \$1.85-\$2.15 per 100 pounds in eastern cities; \$1.50-\$1.55 f.o.b. Presque Isle. New York Danish type cabbage \$12-\$16 bulk per ton in terminal markets; mostly \$8 f.o.b. Rochester. Best yellow onions \$1.60-\$2 sacked per 100 pounds in consuming centers; few sales at \$1.60 f.o.b.

Closing prices of 92 score butter: New York 52¢; Chicago 51 $\frac{1}{2}$ ¢; Philadelphia 53¢; Boston 50¢.

Closing prices at Wisconsin primary cheese markets Dec. 8: Single Daisies 27 $\frac{1}{2}$ ¢; Longhorns 27 $\frac{1}{2}$ ¢; Square Prints 27 $\frac{1}{2}$ ¢.

Average price of Middling spot cotton in 10 designated markets advanced 15 points, closing at 18.79¢ per lb. December future contracts on the New York Cotton Exchange advanced 13 points, closing at 18.89¢, and on the New Orleans Cotton Exchange they advanced 17 points, closing at 18.95¢.

Grain prices quoted: December wheat at Chicago \$1.28 5/8; Minneapolis \$1.25; Kansas City \$1.23 3/8. (Prepared by Bu. of Agr. Econ.)

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